### Pranab Stand On Opposition May Take A Backseat

### Forgive & forget: Cong weighs new formula to end impasse

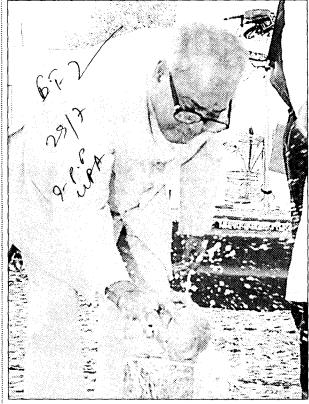
Our Political Bureau NEW DELHI 28 JULY

HE stalemate in Parliament may be resolved with the government working on a compromise formula with the Opposition leadership. Although the formula is yet to be initialled, it could see the government and Opposition agreeing to expunge the statement by Pranab Mukherjee condemning the Opposition and the attack on the Speaker by members of the Opposition.

Although the Congress officially persisted with a partisan strategy that shows up the NDA as unreasonable, there is a realisation that a Prime Minister cannot be satisfied with an approach that undermines the legitimacy of the Opposition. In fact, this was evident when Dr Manmohan Singh made an appeal to the Opposition from Patna to end the boycott.

The formula will not be discomforting for both sides. In any case, the Opposition feels that its larger demand of Shibu Soren's sacking was accepted by the government and that they should wait for the opportune time to strike at the other tainted ministers in Dr Singh's ministerial team. Sources in the government said the formula will be accepted after the Speaker returns to Delhi. He is currently in Kolkata. Mr Somnath Chatterjee, sources said, agreed to expunge the statement of Mr Mukherjee — which was essentially an attack on the Opposition and the defence of the Speaker's action that the Opposition found objectionable.

. The stalemate was a manif**es**tation of the total breakdown of relationship between the ruling alliance and the NDA. The Congress leadership, which controls the levers of power, was not making things easy for the Prime Minister. On its part, the BJP tried to project itself as a reasonable Opposition. "Our boycott is because of confrontationist attitude of the government. If the government is willing to change its attitude, we will also end our boycott," BJP's additional spokesperson Manvendra Singh bovcott." said. Emphasising that the NDA did not want to disrupt the functioning of Parliament, he said the government needed to create a conducive atmosphere" and establish contact with NDA leadership to end the deadlock.



**Break Of Day:** Defence minister Pranab Mukherjee at the inauguration of a housing project in New Delhi on Wednesday. — PTI

### Mani discusses oil price with Left

Our Political Bureau NEW DELHI 28 JULY

WO days after the Left criticised the limited freedom to oil PSUs to fix auto fuel prices, petroleum minister Mani Shankar Aiyar met CPM and CPI leaders to explain the government's decision.

Mr Aiyar shared with the leaders of the Left the facts of the case — the influence of rising international oil prices, its impact on the profits of oil PSUs, subsidies, excise duties and taxes. The Left line to the government was familiar — it should find a way out so that the consumer is not burdened. The two allies suggested that the government go in for immediate duty restructuring of petroleum products to deal with the periodic hikes.

The Left, which discussed excise duties in the sector with the minister, said taxes on items of

mass consumption like petroleum products are being maintained at very high levels and would have a snowballing effect. "While 75% is contributed to the exchequer by the retail consumer, only 25% is cost-based price." It also wanted the oil PSUs to share the burden of increasing international oil prices and pass on the benefit of fall in rates to the consumer. However, the minister has given no assurances to the upset Left, which made it clear to him that the government must explore ways of cushioning the people. The meeting at the CPM headquarters was attended by Sitaram Yechury, Nilotpal Basu and A.B. Bardhan

The Left parties had criticised the Cabinet's decision to grant permission to oil PSUs to fix prices of auto fuel on their own within a range of 10%. According to them, the prices of petroleum products in India are unusually high.

### NDA seeks consultation rider to end boycott of Parliament

New Delhi 28 JULY

INDICATING that the National Democratic Alliance was ready to end the boycott of parliamentary committees, the BJP on Wednesday said the government should "communicate" with the Opposition to create a "conducive atmosphere."

"Our boycott is because of the confrontationist attitude of the government. If the government is willing to change its attitude, we will also end our boycott," BJP's additional spokesperson Manvendra Singh told reporters here.

Emphasising that the NDA did not want to disrupt the functioning of Parliament, he said the government needed to create a "conducive atmosphere" and establish contact with the NDA leadership to end the deadlock. "If the government wants us to end our boycott of the parliamentary standing committee and consultative committee, it should communicate to us," the BJP MP said.

He pointed out that the onus of ensuring the smooth functioning of Parliament lay on the government, particularly the parliamentary affairs minister, and not the Speaker who har asked the Opposition to call of their boycott.

Mr Singh evaded a reply

Mr Singh evaded a reply when asked what the NDA expected the government to do so that the opposition would encits protest. He, however, underlined that to ensure the smooth functioning of the Parliament, the Opposition should be given appropriate opportunity to voice its issues in the house which is its "right."

house which is its "right."

The NDA government never choked the voice of the Opposition, he said, adding former Prime Minister Atal Bihari Vajpayee used to consult the Opposition for "valuable governance."

—PTI

### CPM to add fuel to FDI fire

THE Manmohan Singh government may come under further fire from the CPM on the FDI issue if the mood of Marxists in the party's apex decisionmaking body, the Central Committee, is anything to go by.

The CC, which is to have its first meeting after the UPA came to power this month end, is likely to build pressure on the polit bureau to get tougher with the government on the proposal to raise FDI caps in telecom, insurance and civil aviation sectors. When the Central Committee met last time. it had overwhelmingly voted against the CPM's participation in government.

The same members who voted against the proposal to join a

likely to seek answers on the UPA's silence on the Left's de-Congress-led government are mands. The meeting will be

30.A majority of members from the Left strongholds of Kerala and West Bengal, who are engaged in

a bitter fight with the Congress, are of the view that it is high time the CPM takes sterner steps against the FDI proposals. Though the Left does not intend to snap ties with the UPA government for the fear of putting the BJP in a position of advantage, it cannot afford to ignore the concerns of its con-

stituency and trade unions.

FDI is not the only issue on which the UPA government has not responded to the Left's cries. The Left itself has pointed out that the allocations for social sector schemes are inadequate and would not meet the requirement

spread over three days from July "to implement promises made in the Common Minimum Pro gramme. It has also opposed the dilution of government's stake it NTPC and raising of the FII ceiling in debt funds. The unions affiliated to the Left parties have been waging a battle against the privatisation of Delhi and

Mumbai airports.

The Left parties were also hoping the government to restructure duties on petroleum products and a rollback in the hike in prices of LPG. But this did not happen when the government allowed limited freedom to oil PSUs. What could prove to be the most difficult task for the CPM leadership the formalisation of a relationship with the Congress. It may be recalled that the party, riding on an anti-Congress wave, won 18 of the 20 seats in Kerala.

### Advani Stresses On Moral Bankruptcy Of Singh Parivar

### NDA seeks Kalam's help to get tainted ministers out

Our Political Bureau NEW DELHI 25 JULY

FTER scoring a major political point by extracting the resignation of Shibu Soren from a reluctant UPA government, the NDA on Sunday approached President A.P.J. Abdul Kalam to get the ruling regime accept a "morally defensive order" by sacking the other tainted ministers in the Manmohan Singh team.

Leader of the Opposition L.K. Advani who led the NDA delegation to the Rashtrapati Bhawan told the President that the current controversy has shown the "serious challenges that governance is facing under Dr Singh." The 27-member NDA team, in a five-page petition, which detailed cases against Dr Singh's ministerial colleagues, said the President as the custodian of the Constitution should impress upon Mr Singh to drop the tainted ministers.

The NDA said it was shocking that the PM waited unconscionably



FORWARD MARCH: L.K. Advani, George Fernandes & Jaswant Singh head for Rashtrapati Bhawan along with other NDA leaders on Sunday. — AFP

long even after the whole country witnessed the shameful spectacle of a warrant of arrest being pasted on the official residence of a minister before politely asking him to resign.

In a scathing attack on Dr Singh, the NDA petition to the President said "the Prime Minister appeared determined to save a history-sheeter's honour." The NDA petition said railway minister Lalu Prasad Yaday has not just been charged with corruption and misappropriation of public funds. There have also been allegations against him over protecting criminals. The petition said that a final argument in a case of assets disproportionate to known sources of income is expected to begin soon.

On the issue of M.A.A. Fatmi, the petition said the minister is closely associated with crime syndicates. It said Mr Fatmi has close links with a dreaded extortionist syndicate that kidnapped and later freed a Gujarat industrialist Gautam Adani after extorting \$1.5 million in Hong Kong. The police is in possession of damning reports regarding his links with criminals like Irfan Goga, Fazrul Rehman and Babloo Srivastava," the petition said.

### Oppn scores brownie points

Our Political Bureau

THE NDA made no effort in hiding its joy over scoring its first major political score over the Manmohan Singh government on the Shibu Soren issue. So much so, that many leaders of the UPA started wondering about the manner in which the issue was handled by the government. Not many in the

ruling front felt the Prime Minister, by asking Mr Soren to quit after holding for a full week against the Opposition demand, adequately addressed the Soren issue. "Since the minister was asked to quit only after the government resisted the Opposition demand initially, the message sent was that the government and party succumbed to the Opposition pressure. If this was how it was supposed to end there was no need to hold on for so long. Had Mr Soren been asked to quit in the beginning not only would the Opposition have lost an opening, but the vernment and the Prime Minister could have cited it as an example of a prompt decision on the matter of moral-

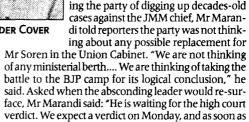
ity," an AICC general secretary said. Some of these leaders felt the PM's belated action, after consulting Sonia Gandhi, to ask Mr Soren to quit has undid the theme of the UPA counter-attack on the Opposition. This included building a case of attacking the office of the Speaker. The Congress allies in the UPA and the Left felt the situation could have been better handled by the Prime Minister had there been better consultation among the coalition partners. "The Prime Minister never consulted us on how to handle the Soren issue," said a senior Left leader. The leaders of the four Left parties, which are meeting here on Monday, may also discuss the political fallout of the Soren issue Some of the ruling front leaders feel the issue, had it been handled properly, could have been used by the PM to reinforce his own image as well as to silence those who criticised him of being weak in political reflexes.

### **IMM** swears by UPA govt

Our Political Bureau

day after its founder tendered his resignation from the Union Cabinet on the orders of Prime Minister Manmohan Singh, the Jharkhand Mukti Morcha reaffirmed its allegiance to the ruling UPA combine on Sunday, but indicated that it may stay out of the Union government for the time being

With Shibu Soren still in hiding, it was left to Stephen Marandi, Rajya Sabha member and former Leader of Opposition in the Jharkhand Assembly, to declare his party's views. He held a press conference in Ranchi on Sunday to put the record straight. "We're neither very happy, nor very sad over the develop-ments," Mr Marandi said, while responding to queries on whether the JMM was upset over the Prime Minister's decision. It was, however, the BJP, which was singled out for attack. Accusing the party of digging up decades-old ses against the JMM chief, Mr Maran-



it is announced, Mr Soren would be before you. The JMM leader gave his own reasons behind Mr Soren's decision to go underground to prevent the Jharkhand police from executing the arrest warrant, issued by the Jamtara court, in the Chirrudih-massacre case. "Guruji (as Mr Soren is fondly called by his followers) wanted to skittle out NDA's plans for fomenting unrest in the state. The Arjun Munda-government had sent a police team to New Delhi to arrest our leader. The arrest could have instantly sparked off violence and bloodshed back home," Mr Marandi claimed.



SOREN: UNDER COVER

# JMM PRESIDENT STILL IN HIDING, PARTY MPS CARRY FAXED LETTER TO MANMOHAN

# PM gets Soren's resignation

9. P.P. WPA

STATESMAN NEWS SERVICE

NEW DELHI, July 24. — Ending a high political drama that virtually stalled Parliament for over a week, Prime Minister Dr Manmohan Singh finally obtained the resignation of Mr Sibu Soren and forwarded it to the President this afternoon. Dr APJ Abdul Kalam accepted Mr Soren's resignation on the advice of Dr Singh.

Jharkhand in which he is charged with murder. In his resignation letter, Mr Soren said, inter alia: "Every citizen has the right to seek judicial relief from a higher court. Mr Soren, the JMM president who was inducted as coal minister on 22 May, had to quit following revival of a criminal case in Since there was delay in the proceedings

and the Prime Minister desired that I should resign, I tender my resignation from the government as coal minister.

position that forced the Congress leadership to ask the JMM leader to quit the Cabinet last night. Mr Soren's plea that his resigna-tion should not be accepted at least till the Hopes of getting judicial relief eluded Mr Soren whose petition for quashing the arrest warrant, still pending before Jharkhand High Court, was deferred twice last week and will be taken up only on Monday. It was mo-High Court's verdict and that it should be forwarded only if he fails to get judicial relief unting pressure from the media and the Opwas turned down by the Prime Minister.

It's unlikely that Mr Soren will be re-inducted even if the arrest warrant against him is

his views to Mrs Sonia Gandhi Dr Manmohan Singh conveyed three days ago quashed by the High Court, though some Congress leaders do not rule this out.

panied the JMM MPs to Dr Singh's residence where Mr Soren's faxed resignation was handed over, evaded questions in this regard. "It's entirely up to the PM to decide on re-inducting Mr Soren," he said. Mr Azad charged the BJP with acting in a vindictive manner against Mr Soren. Sources said the Prime Minister was upset over the turn of events, particularly after Mr Soren disappeared from Parliament and the Jharkhand Sources hinted, he may nominate his son to police came looking for him in Delhi. Dr Singh, sources said, conveyed his views to Mrs Sonia Gandhi three days ago. Mr Soren is yet In fact, Mr Ghulam Nabi Azad, who accomto make up his mind to nominate a successor represent the JMM in the government.

### PM tells Soren to resign

### Statesman News Service

NEW DELHI, July 23. — The Prime Minister, Dr Manmohan Singh, tonight acted to quell the spiralling controversy over the case of his disappearing Cabinet colleague by seeking the resignation of the coal minister, Mr Sibu Soren.

In an announcement late tonight, the Prime Minister's Office said that Dr Singh had sent a letter to Mr Soren's secretary, urging the minister to send in his resignation within the next few days.

As the minister disappeared from public eye, a team of Jharkhand Police came to the Capital to execute an arrest warrant and then pasted a copy of the warrant on the door of Mr Soren's residence.

The Statesman on 19 July had broken the story about the warrant issued against Mr Soren in the Chirudih massacre in 1975. Subsequently, Mr Soren has been absconding, apprehending arrest, prompting scenes of outrage and unprecedented turmoil in Parliament. Mr Soren's unexplained absence from the public eye had placed the Prime Minister under severe pressure to remove him.

Earlier in the day, the Speaker, Mr Somnath Chatterjee, was not allowed to make a statement by the main Opposition BJP — something unprecedented.

At the end of the day after the Lok Sabha was not allowed to function by the Opposition on the Soren controversy, Mr Chatterjee said that if the Opposition was so opposed to his occupying the Chair "there are methods and ways to get rid of me". "But I am not a shirker and shall not resign from the Speaker's post," an emotional Mr Chatterjee told a crowded press conference.

He appealed to the members in general and the Leader of the Opposition, Mr LK Advani in particular, to whom he sent a video tape of the proceedings of the Lok Sabha that showed how the BJP

members obstructed the Chair from making a statement.

The controversy over the disappearance of the minister from Parliament and the failure of the government to come out with a statement has brought the Speaker and the Opposition into direct confrontation, threatening the functioning of Parliament.

Mr Pranab Mukherjee, defence minister and leader of the House, in a prepared statement, gave vent to the government's point of view on the Opposition conduct. He said: "This is an unprecedented incident in the House that the Speaker was not allowed to complete his observation. There are no words to condemn this type of behaviour when the Speaker is the custodian of the rights, privileges and dignity of the House... to prevent him from discharging his duty is a gross disrespect to the Chair and the House".

Talking to reporters outside Parliament, Mr Advani strongly objected to Mr Mukherjee's statement. He said that instead of the Prime Minister making a statement, the leader of the House made a statement condemning the Opposition's behaviour.

Mr Advani hinted that the Opposition attitude towards the government would not change unless the ruling UPA dropped its confrontationist approach.

He also hinted at the possibility of the NDA boycotting consultative committee meetings during the recess. BJP leaders later clarified that this was only a suggestion. A Cabinet minister is on the run for four days and the Prime Minister does not even think it fit to issue a statement, Mr Advani said. The Rajya Sabha was also hit by the Soren issue as the Opposition did not allow the House to function today. Both Houses were adjourned for a three-week recess to meet again on 16 August.

THE STATES AND LE STAND

### বাসভবনে পরোয়ানা

### শিবু কোর্টে যান, চান মনমোহন

\* Rolle

জয়ন্ত ঘোষাল • নয়াদিল্লি

২১ জুলাই: মন্ত্রিত্ব থেকে ইস্তফা দিতে না বললেও শিবু সোরেনকে আদলিতের কাছে আত্মসমর্পণ করতে বললেন প্রধানমন্ত্রী মনমোহন সিংহ। বিষয়টি নিয়ে আইনমন্ত্রী হংসলাল ভরদ্বাজের সঙ্গে আলোচনা করেই প্রধানমন্ত্রী শিবু সোরেনকে এই পরামর্শ দিয়েছেন। সোরেন দিল্লিতেই আত্মগোপন করে আছেন এবং আইনজীবীকে সঙ্গে নিয়ে আগামিকালই পাটিয়ালা আদালতে হাজির হতে পারেন। প্রধানমন্ত্রীর সচিবালয় থেকে সোরেনকে জানানো হয়েছে, আদালতে হাজির হয়ে তিনি যদি নিজেকে কেন্দ্রীয় মন্ত্রিসভার এক জন দায়িত্বপ্রাপ্ত সদস্য হিসাবে উপস্থাপিত করে জামিনের আবেদন করেন এবং পাসপোর্ট আদালতের কাছে জমা দিয়ে দেন, তবে সঙ্গে সঙ্গেই তিনি জামিন পেয়ে যেতে পারেন। আর জামিন পেলে আর মন্ত্রিত্ব ছাড়ার কোনও প্রয়োজন হবে না। যেহেতু গ্রেফতারি পরোয়ানাটি জামিন অযোগ্য তাই আদালতে নিজে হাজির না হলে এক দিনের জন্য হলেও জেলে যেতে হবে। তার পরে জামিন পাবেন। কিন্তু আদালতে হাজির হলে সঙ্গে জামিন পেতে পারেন এবং সে ক্ষেত্রে হাজতবাস করতে হবে না।

আজ রাজ্যসভার শিবু সোরেনের বিষয় নিয়ে বিজেপি বিক্ষোভ দেখায়। গোলমাল চরমে ওঠায় রাজ্যসভার চেয়ারম্যান সভা মূলতুবি করে দিতে বাধ্য হন। রাজ্যসভায় আজ সাংসদদের প্রশ্নের জবাব দেওয়ার কথা ছিল শিবু সোরেনের। কিন্তু তিনি আজই রাজ্যসভার চেয়ারম্যানের কাছে চিঠি দিয়ে অনির্দিষ্টকালের জন্য ছুটি চেয়েছেন এবং তাঁর দফতরের প্রতিমন্ত্রী দসেরি নারায়ণ রাওকে প্রশ্নের উত্তর দেওয়ার দায়িত্ব দিয়েছেন।

এ দিকে রাঁচির স্টাফ রিপোর্টার জানাচ্ছেন, চিরুডিহি গণহত্যা মামলায় এস ডি জে এম কোর্টের গ্রেফতারি পরোয়ানা-সহ গোটা প্রক্রিয়াকে চ্যালেঞ্জ জানিয়ে ঝাড়খণ্ড হাইকোর্টে দাখিল করা সোরেনের রিট পিটিশন আজ শুনানির জন্য গ্রাহ্য হয়েছে। কয়লামন্ত্রীর আইনজীবী এ কথা জানান। শুনানি কবে, তা নির্দিষ্ট হয়নি। শুনানি শুনতে আজও জে এম এমের কর্মী ও সমর্থকেরা দলীয় পতাকা ও 'গুরুজি'র প্রতিকৃতি আঁকা ফেস্টুন, ব্যানার নিয়ে আদালতের সামনে ভিড করেন।

১৯ জুলাই ঝাড়খণ্ড হাইকোর্টে ওই পিটিশন দাখিল করেন শিবৃ। কাল শুনানির কথা থাকলেও গ্রেফতারি পরোয়ানার প্রতিলিপি দেরিতে পাওয়ার কারণে নির্দিষ্ট সময়ে মামলার উল্লেখ করা যায়নি। ইতিমধ্যে জামতাড়া এস ডি জে এমের আদালতের গ্রেফতারি পরোয়ানা নিয়ে দিল্লি পৌছে গিয়েছেন ঝাড়খণ্ড পুলিশের দুই এস পি। দিল্লির পুলিশ কমিশনার কে কে পল সব রকমের সহযোগিতার আখাস দিয়েছেন। পুলিশের এই প্রতিনিধি দল আজ শিবু সোরেনের সরকারি আবাসস্থলেও তল্লাশি চালায়। সেখানে শিবু ছিলেন না। তাঁর বাসভবনের সামনে ঝাড়খণ্ড পুলিশ এই গ্রেফতারি পরোয়ানাটি ঝুলিয়ে দেয়।

সোরেন ইস্তফা দিয়েছেন বলে সকালে সংবাদ সংস্থা খবর দিলে রাজধানীতে প্রবল প্রতিক্রিয়া সৃষ্টি হয়। লালুপ্রসাদ তাঁকে ইস্তফা দিতে নিষেধ করেন। বিষয়টি নিয়ে লালু সনিয়া গাঁধীর সঙ্গেও কথা বলেন। লালু বলেন, বিজেপি দাবি জানাচ্ছে বলেই যে সোরেনকে ইস্তফা দিতে হবে তার অর্থ নেই। কংগ্রেস নেতৃত্বের একাংশ প্রথমে মনে করছিলেন যে শিবু সোরেন ইস্তফা দিয়ে দিলে সরকারের ভাবমূর্তি উজ্জ্বল হবে। কিন্তু কংগ্রেস নেতাদেরই অন্য অংশের মতে, শিবু সোরেন ইস্তফা দিলেই বিজেপি প্রবল উৎসাহ পেয়ে তসলিমুদ্দিন ও লালুপ্রসাদের ইস্তফার দাবিতে সরব হবে। কাজেই তাতে কংগ্রেসের বিপদ বাড়বে। তাই এখনই শিবু সোরেনকে ইস্তফা দিতে না বলাই প্রেয়।

ম্পিকার সোমনাথ চট্টোপাধ্যায় নিজে এক জন বিশিষ্ট আইনজীবী। তাই শিবু কাল তাঁর সঙ্গেও দেখা করে তাঁর মতামত চান। সোমনাথবাবুও তাঁকে আইনের পথে যেতে পরামর্শ দেন। প্রধানমন্ত্রীর প্রতিনিধি হিসাবে প্রতিমন্ত্রী পৃথীরাজ চহ্বান সোরেনকে বোঝান যে ভয় পাওয়ার কোনও কারণ নেই। ২৯ বছর আগে আদিবাসী আন্দোলনে নেতৃত্ব দেওয়ার সময় স্থানীয় রাজার কর্তৃত্বের বিরুদ্ধে লড়তে গিয়ে যে ঘটনা ঘটেছিল তার বিচারে ভীত না হয়ে আদালতে আত্মসমর্পণ করলে তিনি আসন্ধ ভোটের মুখে রাজ্যে 'নায়কের' সম্মান পাবেন।

### Soren in the dock

Congress protection wholly misplaced

When Congress describes the impending arrest of minister Sibu Soren to fulfil a warrant issued by the Jamtara subdivisional magistrate for the massacre in 1975 as "politically motivated", it is open itself to the charge that it interferes with the law for political advantage. The UPA government has been roundly criticised because the ministers in question are from Bihar and enjoy the confidence of Lalu Prasad who relinquished the chief ministership when arrested in the fodder case. Soren's arrest will require Manmohan Singh to drop him from the Union cabinet. The opposition will prove a point and the Prime Minister may in fact take a closer look at others. Lalu's support is crucial; but it doesn't explain why Congress should bend over backwards. That the party feels obliged to stand by Soren makes Shivraj Patil transform a legal issue into a political one. By claiming that Soren cannot be described as a "proclaimed offender" because he is also a public figure with an election victory to boot, the home minister confirms he stands with the rest — above the law.

There are other calculations. Soren comes from Jharkhand where the BJP chief minister, Arjun Munda, a protege of Soren in 1975 when the murders were committed, has a soft corner for the former guru. The BJP has compelled Munda to fall in line but the party is in deep distress, largely on account of incompetent and corrupt leaders who failed to deliver in the four years that the new state has been in existence. People are equally disillusioned with JMM which had spearheaded the Jharkhand movement. However, disgusted with state BJP leaders, they indeed helped the JMM-Congress alliance to win 13 of the 14 parliamentary seats. Patil merely echoes his party's hopes that assembly election in February will witness the same performance. That will help Congress stage a comeback in Jharkhand and possibly in Bihar too. It also drives UPA to support Soren. In the process, it invites considerable inconvenience because the coal minister went missing the day Jharkhand police arrived in Delhi to arrest him. This distasteful exercise brings Manmohan Singh's unblemished record under a cloud. The simple course would lie in making Soren clear himself; it is quite wrong to look for escape routes without any idea how to get out of it.

### Singh does a Nehru, pens tips to CMs

HT Correspondent New Delhi, July 18

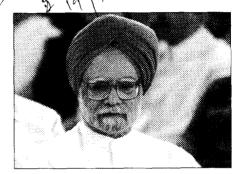
PRIME MINISTER Manmohan Singh has decided to adopt Jawaharlal Nehru's practice of writing letters to CMs regularly to draw their attention to urgent matters of governance. In his first such letter, he has appealed to the CMs to play the role of "visionary leaders".

Singh has also sought redesigning of public services to make officials accountable for their delivery. He has asked the CMs to ensure stability of tenure to officials in key positions for effective administration and proper delivery of public services.

and proper delivery of public services.

In his three-page letter, Singh said: "Challenges of law and order as well as development require stability of tenure of officials in key positions. Frequent transfers of public servants have a debilitating impact not only on their performance and morale but also on the whole process of governance."

Singh said reforming the process of governance would "involve energising institutions of governance and ensuring accountability in the provisions of public services, transparency in handling of public funds and aligning incentives with desired outcomes".



Singh made it clear that maintenance of law and order was critical in providing an atmosphere conducive to economic development. He held that there were a large number of development programmes, the implementation of which left much to be desired. "Some of them entail sub-optimal use of our resources and energies."

Noting that the Centre could generate funds for development programmes but the success lay entirely in the hands of the states, the PM called for "collective endeavour in the true spirit of an abiding partner ship". He said despite the growth momentum generated over the past two decades, "we are still to realise our full potential".

MANMOHAN ON FDI ISSUE:

### **'Differences** will be High resolved'

By Our Special Correspondent

NEW DELHI, JULY 17. The Prime Minister, Manmohan Singh, today said that differences between the Government and its supporting parties on proposals to increase the foreign direct investment (FDI) limits in telecom, insurance and civil aviation would be resolved through dialogue.

He expressed the confidence that the Government would have a "smooth sailing" tenure. "We will resolve all issues through the process of dia-logue," Dr. Singh told the media at an oath-taking function for the non-Ministerial members of the Planning Commission.

To a question on opposition from the Left parties to the budget proposal for increasing the FDI limits in the three sectors, the Prime Minister said: "Let me say we are all united and have to work together. I think there will always be problems but I am very confident that we will have a smooth sailing in the end.'

Asked about the role and relevance of the Planning Commission in the new regime, Dr. have the answer.

Singh said the Commission was a think-tank and a link between the Centre and the States. "The importance of [the] Planning Commission in the federal structure that India has can hardly be over-emphasised. We want to strengthen the Commission.'

Soon after the oath-taking ceremony, Dr. Singh chaired the first meeting of the Commission in his capacity as its Chairman. He asked the members to focus on implementing Common the Minimum Programme.

Talking to the media after the meeting, the Deputy Chairman of the Planning Commission, Montek Singh Ahluwalia, said the Prime Minister was concerned about the delivery system and had directed the Commission that in addition to providing additional resources, it should also look at the question of improving the efficiency of the system.

On the allocation of additional Rs. 10,000 crores earmarked in the budget, Mr. Ahluwalia said "we are working on that very hard. Hopefully, in a couple of weeks' time, we will

### **CPI(M)** leaders meet Chidambaram

**By Our Special Correspondent** 

NEW DELHI, JULY 17. Two top leaders of the Communist Party of India (Marxist), Prakash Karat and Sitaram Yechury, today had an hour-long meeting with the Union Finance Minister, P. Chidambaram, and discussed budgetary issues, including the proposal to raise the foreign direct investment limits in telecom, insurance and civil aviation.

Mr. Karat told The Hindu later that apart from the FDI issue, the discussions centred on certain budgetary allocations, including the likely schemes for which a separate fund of Rs.10,000 crores has been placed at the disposal of the Planning Commission, Though

out the specific allocations, the additional funding is to be earmarked for the areas emphasised in the Common Minimum Programme of the United Progressive Alliance, particularly agriculture, rural development and employment generation.

The meeting is part of the overall efforts to resolve the differences that have cropped up between the Left parties and the Government. Mr. Yechury had gone public on Thursday protesting strongly against the FDI hike proposals. Asked whether he was hopeful of matters being resolved, Mr. Karat said that "discussions will continue." Did Mr. Chidambaram indicate his mind, he was asked. "We just had a discussion, not only on the FDI issue but on other matthe Commission is yet to work ters of concern too," he said.

### PM repairs bridge with Left

### Allies stake New Delhi, July 16: The Left claim to N panel posts

MONOBINA GUPTA

New Delhi, July 16: The Left parties want their pound of flesh for keeping the United Progressive Alliance in power.

CPM and CPI leaders have shot off letters to Union ministers suggesting "their" candidates for vacant posts in various institutions and commissions.

But the Manmohan Singh government's response has not quite pleased the Left. CPI general secretary A.B. Bardhan has penned a terse letter to law minister H.R. Bhardwaj saying the CPI wishes to suggest names for the six vacant additional solicitors-general posts. Bardhan has asked if Bhardwaj will consider the Left nominees. Only then will he be sent their names

The tone of the letter suggests that the 63-member Left bloc is sore at not being given due importance even though the Singh government is in power with its support

Bardhan has also written to Prithviraj Chavan, the minister of state in the PMO, suggesting names for the National Human Rights Commission, National Minorities Commission and the National Council for Women.

Kamal Mitra Chenoy, a Jawaharlal Nehru University professor, has been recommended for the rights commission, Justice Haidar Abbas Reza for the chairmanship of the minorities' panel and Meenakshi Thampan for the women's council. Chenoy is a CPI member while Reza, a Left sympathiser, is a former Allahabad High Court judge.

Bardhan has told Chavan the PMO has the prerogative to make appointments to commissions.

The prevailing Left sentiment is that it should not be "taken for granted". Appearing today on the BBC's *Hard Talk*, CPM politburo member Sitaram Yechury made the same point

gh government. This was the message conveyed to the Prime Minister by CPM general secretary Harkishen Singh Surjeet who called on him today. CPI sen ior leader D. Raja has also sought time from Singh to iterate the message.

The assurance comes after CPM politburo member Sitaram Yechury's warning in a television interview that if the government deviates from the common minimum programme, the Left which props it up from outside would be forced to pull the rug.

Finance minister P. Chida mbaram's budget announce-ment of an increase in the foreign direct investment ceiling in insurance, communications and civil aviation has upset the Left

Sources said Singh assured Surject that his government was committed to "reforms with a human face" and that he was aware of the shortcomings of the first phase of liberalisation from 1991-96. The Prime Minister admitted that although the reforms of which he was the architect had pushed the growth rate to a little over 6 per cent, they had overlooked vital aspects of the social and rural sectors relating





Singh, Surject

to health, education and water. Singh stressed that this government would plug the lacunae.

A section of the Left believes that rather than focus on FDI, it should attend to other budget proposals on the areas mentioned by the Prime Minister.

Sources said that while the FDI limit figured in the one-toone, it was "unlikely" that Surjeet and Singh would have gone into the specifics of the figures.

The Prime Minister is verv clear that no policy can be finalised without understanding and appreciating the Left's viewpoint. He has conveyed this to the pro-reformers in his government who tend to regard the Left as dinosaurs. At the same time, he has also let the Left know that it was time for them to take as pragmatic a view of reforms at the Centre as they do in Bengal. Basically, he hopes to act as a bridge between the Left and Con-

gress," a source said.
In Calcutta, Yechury modified his statement. "We never said that the support to the UPA will be withdrawn. You cannot show a single government which was supported by CPM and which fell due to withdrawal of support by the party."

Government sources said the Prime Minister is keen to be seen as "pro-farmer" and "pro-poor" rather than only as a votary of reforms. His first visit outside the capital to Andhra Pradesh's suicide-hit villages went some way in changing popular perception. A visit has now been proposed to the drought-affected Vidarbha region of Maharashtra.

Sources said Singh has written to all chief ministers to seek their cooperation in nation-building, as set out in his first televised address. They said he would write such letters periodically in keeping with a practice started by Jawaharlal Nehru to strengthen India's federal structure.

The over-riding theme of the TV address was that while economic reforms would continue, growth could not be an end in its elf but a means to generate employment, banish poverty, hunger and homelessness and improve the standard of living of the

### Pressure yes, pullout no

### A STAFF REPORTER

Calcutta, July 16: The Congress-led government at the Centre may push through its move to raise the cap on foreign investment in insurance with support from the BJP, which had backed the Congress earlier, CPM leader Sitaram Yechury said today.

The BJP will now be called upon to pay back the favours it received from the Congress for effecting the passage of certain bills brought in Parliament by the NDA," the CPM politburo member said at the party headquarters on Alimuddin Street.

The CPM, he added, would vote against the Congress-led United Progressive Alliance on the foreign investment issue if such a situation arose. "In 1996-97, (finance minister P.) Chidambaram tried the same thing. Our stand then was what it is today. The Congress should remember that it has come to power as an alternative to the BJP. It should also keep the common minimum programme in mind.

Yechury said: "We knew the Congress will want to follow certain policies" and so "we did not participate in the government." He was quick to add that there may be confrontations with the Congress on policies but the CPM had not served any ultimatum. "We will not topple the government because we want to keep out communal forces.

The CPM's demand is simple. "We want this government to honour the CMP (common minimum programme) and we will oppose the government if we find pro-people policies inducted in the CMP are not being implemented."

Anil Biswas echoed Yechury. The Congress-led government must prove itself different from the BJP-led NDA government, the state party secretary said. "The Congress will have to keep in mind the fact that their government is dependent on the Left parties, which played an important role in mo bilising public opinion against the ruling NDA ih the run-up to the Lok sabha elections.

### Laloo orders fresh probe

RAILWAY MINISTER Laloo Prasad Yadav announced in the Lok Sabha on Wednesday that he would set up a departmental enquiry into the Godhra massacre that would be completed in three months. He was replying to the debate on the railway budget.

The railway minister alleged that a conspiracy had been hatched to carry out the massacre and the NDA government at the Centre had colluded with the Gujarat government to cover up the findings of the Gujarat Forensic Science Laboratory

(GFSL).
"The UPA government is committed to unravelling the mystery to let the nation know the truth," he said, adding that if any railway official was found guilty of dereliction of duty, he would be punished.

Yadav claimed the GFSL report had conclusively established that no inflammable material was thrown at coach S-6 of the Sabarmati Express from outside though it had indeed been pelted with stones. He expressed surprise that a departmental inquiry had not been instituted.

Yadav also accused the NDA government of setting the terms of the judicial probe it had instituted on the basis of the assumption that inflammable material had been thrown at the train, despite the fact that the GFSL report was submitted three months after the incident and well before the judicial in-

quiry had been set up.
At this point, Science and
Technology Minister Kapil Sibal interjected with the accusation that the then Prime Minster A.B. Vajpayee, Home Minister L.K.

FIRE FOR FIRE



Laloo Prasad Yadav is politicising the Godhra issue. Imputing motives is totally wrong and irresponsible

JD(U) leader NITISH KUMAR

Another probe into the Godhra massacre is uncalled for. The **UPA** is pursuing the politics of vindictiveness





Advani and Chief Minister Narendra Modi had been privy to the findings of the GFSL report but had connived to keep it under wraps.

With the exception of the Trinamool Congress, the NDA boycotted the railway minister's reply. Yadav took the opportunity of launching a blistering critique of the Sangh Parivar, accusing it of misleading the public on the Godhra issue.

Speaker Somnath Chatterjee, in fact, had to remind the railway minister repeatedly that he should stick to the issue at hand - the reply to the discussion on the railway budget.

The budgetary demands of the railways were passed by voice vote, with Yadav promising better safety and security and more facilities for passengers.

He also said he would visit all state capitals to oversee the implementation of new railway projects in consultation with local MPs.

THE IMPLISTAN THES

### FM turns off Left tune, plugs Budget

### Statesman News Service

NEW DELHI, July 12. — In an elegantly delivered snub to the Left, finance minister Mr P Chidambaram today said the electoral mandate the UPA government got was for continuing the reforms process and to focus on measures for growth of agriculture and the rural economy that the previous NDA government hadn't addressed. He said there was no going back on his "reformist" Budget.

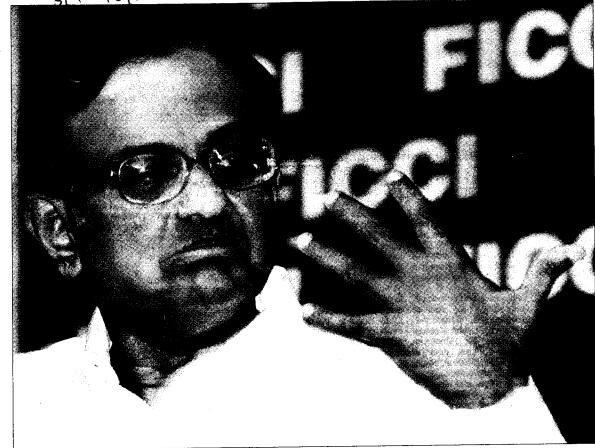
"We have a mandate to continue with the reform measures of the last few years and also address those measures on which action was not taken," Mr Chidambaram told a Ficci post-Budget meeting.

Agriculture, rural India's basic need and needs of the social sector like primary health and education had been neglected, he said. "I offer no apologies that half of my Budget speech was devoted to agriculture," the minister said. Admitting there was a huge gap between intention and implementation, he said a beginning had to be made.

While seeking the industry's support to liberalise the FDI regime in telecom, civil aviation and insurance, which the Left has opposed, Mr Chidambaram said the Budget tried to send clear signals to the world that India was on the path of reforms. "I appeal to the industry to support the measures."

By allowing 74 per cent foreign investment in telecom, the government was only making the regime more transparent, he said. At present, up to 49 per cent FDI is allowed but the holding company of the promoter can take another 25 per cent, which takes the foreign holding to 74 per cent in a "non-transparent manner".

In the case of civil aviation and insurance, where the FDI has been raised to 49 per cent from 40 and 26 per cent respectively, he



REFORM MOVEMENT: Mr P Chidambaram explains his position at a Ficci conference on Monday. — PTI

said the ownership pattern hadn't been altered and the companies would still remain in Indian hands. Since FDI in airports has been pegged at 49 per cent, he saw no reason not to have a similar limit for civil aviation. He made it clear that the FDI regime did not affect insurance PSUs like LIC and GIC, as foreign investment was allowed only for private players.

Turning to rising complaints about the government's taxation policy, Mr Chidambaram said he was all for comprehensive tax reforms as outlined by the Kelkar Committee report. The Fiscal Responsibility Budget Management Act notified earlier this month im-

posed a tremendous fiscal discipline, he added.

"Everybody knows about the Kelkar Committee report. But few have seen the Kelkar Task Force report which will be out in a few days. I had a sneak preview and I promise you we will revisit comprehensive tax policies in the next Budget," he said.

Taxing logic: Mr Chidambaram floored an industrialist who tried to corner him by asking why lawyers have been spared from the ambit of the service tax, adds PTI. "The best answer to that is — there's a popular belief that lawyers render no service," the lawyer-turned politician shot back.

### One Budget, two GDPs!

Finance ministers are often in two minds while writing Budget proposals. But two GDP estimates for the same year? The BJP says Mr P Chidambaram's figures show two GDP estimates for 2004-2005. The party has sought the Speaker's permission to raise a privilege issue against the FM.

The BJP's case: If the revenue deficit, at Rs 76.171 cr, is 2.5 per cent of the GDP, the GDP in absolute terms is Rs 30,46,840 cr. If the fiscal deficit, at Rs 1,37,407 cr, is 4.4 per cent of the GDP, the GDP in absolute terms is Rs 31,22,886.36 cr. The figures differ by around Rs 76,046 cr.

### Govt open to talks with allies

### Statesman News Service

NEW DELHI, July 12. — Reeling under the Left attack on the budgetary proposal of increasing FDI limits in insurance, telecom and civil aviation, the Congress today struck a conciliatory posture, taking extra care not to rub Left parties the wrong way.

Taking pains to describe the Left objections to the hike in FDI caps in the three sectors as "perfectly democratic", the Congress said: "There are bound to be differences among the allies and supporting partners on various issues."

The finance minister, Mr P Chidambaram, will hold talks with Left parties on the FDI issue. The Congress' hopes are pinned on Mr Chidambaram's efforts to convince the Left about the necessity of the controversial proposals. The party, however, did not rule out any "rollback", "a compromise formula", or "some fine tuning or re-jigging" in the matter.

"The Prime Minister and the finance minister are seized of the matter. We've a coordination committee and we'll hammer out our differences through discussions," Congress spokesman Mr Anand Sharma said. "To say beyond that, would be speculative and premature".

### Left strategy

NEW DELHI, July 12. — The Left Front has adopted a three-



threepronged strategy to fight the Congressled govern-

ment's plan to increase the FDI cap in telecom, insurance and civil aviation. The strategy comprises rallies, exerting pressures on the government in Parliament, and during negotiations between Left TUs and the government. The Left parties today decided to have better coordination with the UPA and also to strengthen the working relationship between the four Left parties. — SNS

Details on page 4

The Congress said there is "no situation of any confrontation" with the Left on the issue, though. "

A meeting of the UPA on the Budget was held in Parliament's Central Hall this morning at Mrs Sonia Gandhi's behest. Mr Chidambaram apprised the MPs of the Congress and its allies about the Budget's salient features. He said the Budget reflected the policy and direction laid down in the CMP. The FDI issue was not raised by any member, Mr Sharma said. Another meeting will be held shortly to carry forward the deliberations.

### for rollback

the telecom sector, the CPÎ on Sunday said it would pressurise the government to reconsider the decision.

While many of the budget proposals of ₹ the UPA government were welcome, Left parties have reserva-Left tion on certain aspects of the budget, CPI national general secretary A P Bardhan told reporters. Maintaining that the hike in

FDI cap in the mean handing over control to the multinationals, which could threaten India's security, he said in no country the telecommunication sector was under the control of for-

Lucknow: Demanding a roll eigners. "We want it reconback in the hike in FDI cap in sidered. We will persuade, pressurise and even agitate on this issue," he said. Meanwhile, the CPM has

also opposed the hike in the

FDI cap in the telecom sector. "We are Jagainst privatisation and we will oppose it (hike in the FDI limit) in Parliament," party leader M K Pandhe told reporters after a meeting of CPM polit buro in Delhi. The CPM was not consulted on



Ironically, our largest FDI has been Communism

telecom sector from the 49 the FDI hike in telecom, aviation and insurance sectors. Pandhe, a member of the

polit buro, said.

He said the party would also oppose the passage of the Finance Bill in Parliament. Agencies

THE IMPS OF WELLA

The Contract of the

### LEFT MAY TABLE CUT MOTION

### FDI hike Sours UPA bonhomie

Statesman News Service

NEW DELHI, July 11. — Several Left trade union leaders have threatened to bring a cut motion in Parliament to protest against the proposed hike in the FDI cap in telecom, insurance and aviation sectors.

Trade unions affiliated to Left parties are meeting here tomorrow to chalk out a strategy for opposing several proposals in the Budget. Mr MK Pandhe, president of CPM-backed Citu, said issues such as FDI hike, sale of five per cent stake in NTPC and the EPF interest rate would be taken up at the meeting.

Earlier, Mr Pandhe, also member of the CPI-M politburo, said: "We never said we will not move cut motions. Some other people may have said that. If you have to oppose certain things, cut motion is one of the methods. So our Parliamentary Party will consider this aspect and take steps.

"In no country in the world more than 25 per cent of FDI in telecom sector is given to foreign companies. The government's decision to give complete control in telecom sector is anti-national and our party can never support this." The party, he said, will also fight the hike in the FDI limits in insurance and civil aviation.

The CPI-M will register its protest against the Finance Bill if it contains any provisions that has not been included in the UPA's Common Minimum Programme, which the CPI-M has "endorsed but not signed".

A party spokesman said the CPI-M had always been opposed

### Cong sees no threat

NEW DELHI, July 11. — The Congress tonight made light of the Left parties' opposition to the proposed hike in foreign direct investment in telecom, insurance and civil aviation. "We don't see it as a confrontation between Left parties and the UPA," Congress spokesman Mr Anand Sharma said here. The Left's reservations will be addressed by the Prime Minister and the finance minister, he said.

The BJP, on the other hand, pooh poohed Left leaders' posturing as "friendly sparring" and said if they were serious about their stand, they should withdraw support to the government. — PTI

to any hike in FDI cap in telecom. While the highest FDI limit allowed in the sector in foreign countries is 25 per cent, the budget proposes 74 per cent.

Politburo member Mr Sitaram Yechury, however, was non-committal on tabling cut motion even as the party's highest decision-making body today disapproved the government's move. Asked whether the party would oppose the Finance Bill, he said: "There'll be discussions with the government on what kind of amendments are required."

Mr Yechury ruled out the CPI-M withdrawing support to the UPA government. But the party, he said, will "definitely" oppose any hike in FDI in insurance. Asked whether the CPI-M would oppose the Congress seeking the BJP's help to pass the proposed insurance amendment Bill, he said: "Why should we have any problem?"

By Oommen A. Ninan

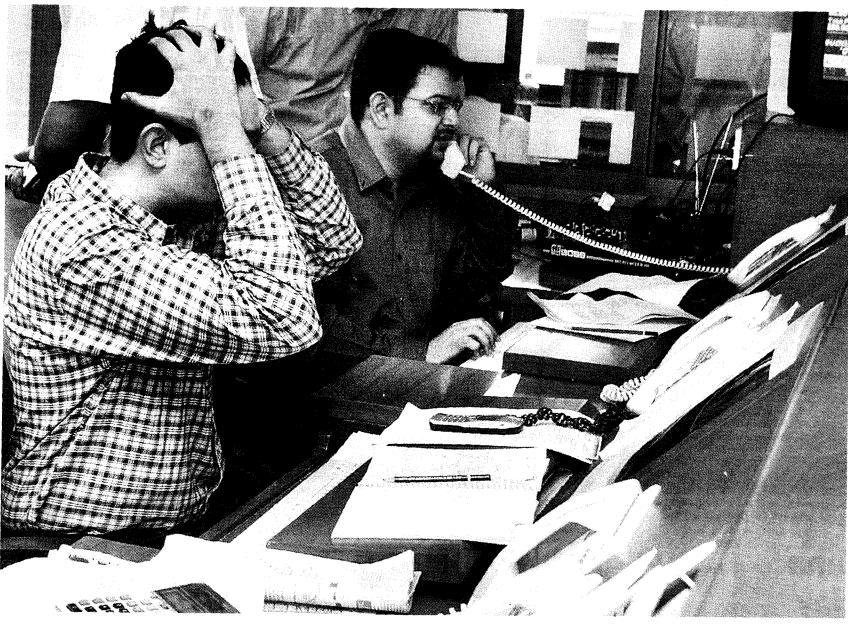
MUMBAI, JULY 8. The bears ruled the roost on the bourses today as the Finance Minister, P. Chidambaram, announced the Union Budget in Parliament. The market lost 112.13 points compared to its previous day's close of 4955.97.

The Bombay Stock Exchange (BSE) 30-Share Sensitive Index (Sensex) opened at 4972.06. touched a high of 5004.17 around noon and declined to a new low of 4808.63 to close at 4843.84. After rising on the hope of increased investment proposals in several sectors, including telecom, shipping, power and insurance, the Sensex shed its gains after the Finance Minister announced the replacement of long-term capital gains tax with 0.15 per cent turnover tax on all transactions of securities on stock exchanges.

The market demonstrated a cautious optimism at the beginning of the Budget presentation, but as the Minister announced a turnover tax of 0.15 per cent, the mood dipped. The gains of 112.20 points in the last two days, were wiped out. The turnover tax on securities transactions has been introduced while long-term capital gain tax has been removed, apparently with a view to curb runaway speculation on stock exchanges. "This should not be a matter of concern, keeping in mind the overall interest of the corporate sector and its growth", said Dinesh Vyas, taxation expert and senior advocate, Supreme Court.

As far as the overall national interest is concerned, I think turnover tax is a good feature. A particular community of brokers may suffer, but the real advantage of the turnover tax is that it will eliminate the unnecessary speculative mood that ing to eliminate speculation was ruling the markets in the last few months. Speculation is long-term investment," Mr. evil, and keeps normal investors Vyas added. away from the stock market. So

Turnover tax dampens stock market



A stockbroker reacts while monitoring falling stock prices, at a firm in Mumbai on Thursday. — Reuters

the turnover tax is definitely go- Head, HDFC Securities, said: and improve the climate of

oilseeds but also imported \$ 2.5

the agriculture sector required

credit-enabled private and en-

hanced public investment.

The Minister admitted that

billion worth edible oil.

"In the short term, the turn-

per cent, which is good.

Jaideep Goswami, Research has been reduced from 33 to 10 agriculture and irrigation will turnover tax is going to impact tance to the long-term factors,

benefit - such as tractor manu- the intra-day market volume. "The Finance Minister has facturers and water-processing Basically the market has given over tax will have a negative ef- made many investment deci- and pipeline companies. The fect. But on the other hand, the sions on the agriculture sector. broad investment approach is will negatively impact market tax on short-term capital gains So companies connected to positive over the long term. The volume and given less impor-

greater weightage to factors that

which are beneficial to the economy. In the short term, the market will remain weak and a stock-specific upward move will be seen.

Another school of thought strongly believes that the abolition of long-term capital gains tax and the lowering of shortterm capital gains to 10 per cent will encourage savers to migrate to the capital markets. "The abolition of long-term capital gains tax is positive from a longterm investor's perspective. It will enhance the flow of risk or to raise the cap on foreign direct equity capital to the industry and ensure healthy capital markets", said Sunil Mehta, Country Head and Chief Executive, AIG (India), adding, "Though the introduction of turnover tax may have a negative effect on the equity markets in the short run, the overall tax structure for securities transactions will not only help genuine investors but also help plug leakages in the taxation system.

Observers in the mutual fund industry welcome the decision to plug the loopholes with regard to dividend stripping and bonus units. However, they are anxious about the applicability of turnover tax, as the corresponding benefit in terms of the capital gain amendment has on the debt instruments, considering their narrow trading margins," said Rajnish Narula, CEO, Allianz Capital Asset Management Company. "The increase in dividend distribution tax for corporates seems to reduce the attractiveness of the dividend options of fixed-income schemes." This is only relative, he insisted, as they remain a good option in an absolute sense, especially from a short-term investment perspecgain favour going forward," said

### Left parties upset over rise in FDI cap

By Our Special Correspondent

NEW DELHI, JULY 8. Left parties today broadly welcomed the budget proposals as regards its concern for agriculture, employment generation, health, education and rural poor but made it clear that the proposal investment (FDI) in telecom, insurance and civil aviation sectors was unjustified" and a cause for concern".

The parties are expected to raise the issue in Parliament when the proposals come up for discussion and to mobilise the support of the people on issue that were not in conformity with people's interest".

The Communist Party of India (Marxist) welcomed the concern for agriculture development, employment generation, health, education, overall condition of the rural poor and imposition of 2 per cent cess for the education sector.

Other positive measures include the revival of the Rural Infrastructure Development not been extended to mutual- Fund, the proposals for repair of fund investors. "The debt mar- water bodies and a nationwide ket is concerned that the new tax might prove to be a burden water harvesting strategy. The intention to double the flow of agricultural credit in three years, while not a budgetary measure, is also a step in the right direction," the CPI(M) politburo said in its statement.

Hoping that the constitution of the Board for Reconstruction of Public Sector Enterprises would lead to the revival of ailing public sector units, the party said the proposed equity support of Rs. 14,194 crore to the central public sector enterprises also suggested a commitment tive. "We expect the dividend to the health of the public secschemes of equity schemes to tor. But the decision to divest National Thermal Power Corporation shares in this context was a source of disquiet".

The party said budgetary allocations for rural employment schemes, Antyodaya Anna Yojna were no higher than already provided for in the interim budget and felt it could have been larger given the stated priorities

It described as necessary" the reduction of interest rate charged by the Centre on loans to the States but said the strengthening of finances of State Governments was critical since they have to play an important role in fulfilling the objectives of

Certain measures announced in the budget speech are unjustified and are cause for concern. he decision to raise the cap on ister, Rajnath Singh, described | FDI investment in three critical the budget as "not pro-poor, sectors of telecom, insurance and civil aviation will give rise to reduced national control over these strategic areas and cause unnecessary outflow of foreign exchange through repatriation

the CMP.

of profits," the statement said. The Communist Party of India said the budget was propeople" that had given priority to agriculture and rural development.

However, there are some lacunae. There is no reference to land reforms and comprehensive legislation for agriculture

workers". In its statement, the party central secretariat said the failure to raise the interest rate on provident fund would be resented by the employees and the announcement for creating a separate public sector enterprises reconstruction board was

The Revolutionary Socialist Party expressed unhappiness that neither did the Government restructure the duties in the petroleum sector nor allocate sufficient resources for tra-

ditional industries. The party MP, Abani Roy, said the RSP would raise its objections during the debate on the proposals in Parliament.

Tĥe ĈPI(ML) said the budget did not address two crucial concerns expressed in the Economic Survey, one being low tax-GDP ration and growing un-

### No new allocation for farm sector

By Gargi Parsai

NEW DELHI, JULY 8. Although the budget proposals for 2004-05 focus on boosting agricultural growth

sification, development of agro-processing, enhancement of credit

through diver-

flow and investment, there is no new budgetary support to the sector. The 2004-05 budget outlay for the Department of Agriculture and Cooperation remains at Rs. 3014 crore made in the interim budget by the previous National Democratic Alliance (NDA) in February. There is no change either in the allocation for Animal Husbandry, Dairying and Education and Research over the interim

The Finance Minister, P. Chidambaram, announced the setting up of a task force to examine the reforms required in the cooperative banking system including the appropriate regulatory regime. The task force will submit its report by October 31 this year. Obviously the Minister did not find merit in the recommendation of an earlier Capoor and Vikhle Committee which recommended revitalisation of the cooperative credit structure envisaging Rs. 15,000 crore to be shared between the Centre and the State on the condition that States amend cooperative laws and

bring about transparency. He also announced a proposal to launch a National Horticulture Mission to double horticulture production from the current level of 150 million tonnes to 300 million tonnes by 2011-12. Inviting States to join hands, he asked them to emulate the 'Anand Milk Cooperative' model and establish a State-level cooperative society

for promoting horticulture. The Minister also declared initiation of a Weather Insur-

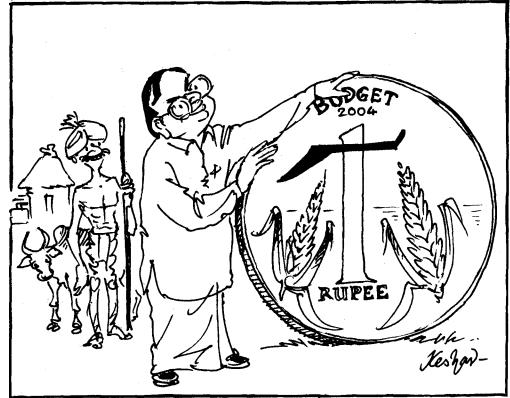
### ance Scheme on trial basis in 20 To double the flow of agricul- States. So far, 10 States had inirain gauge stations in the current crop season. At the same icy for debt relief has been action for 'direct marketing' time the pilot scheme insuring announced last month which and 'contract farming' arrange

farm income (as opposed to entrusts implementation on ments in line with the model crop) in 19 districts in 12 States during rabi 2003-04 would be banks, the Regional Rural banks extended through kharif, 2004 (RRBs) and the cooperative to assess its feasibility. Meanbanks. Each RRB has a sponsor while, the National Agricultural bank. Mr. Chidambaram said he Insurance Scheme which in- would hold each sponsor bank sures the yield or crop would be responsible for the RRBs under 2004-05 for expanding research re-evaluated. The Government its control. would facilitate farmers to di-

versify into oilseeds by promoternance standard and that tics and special focus on farming superior seed technology abide by the prudential regula- ing in dryland and unirrigated and through appropriate policy of price support. Last year India funds from the Government for produced 25 million tonnes of their restructuring.'

Noting that India must become a single market for all products, particularly agricultural produce, he said the States "massive investments" through must enact the model Agriculture Marketing Produce Act which had been circulated to

public sector and private sector laws. Observing that farm research and development was an area which deserved special at-Mr. Chidambaram tention, promised an increase over the allocation of Rs. 1.000 crore for to new frontiers such as bio-"RRBs that adopt a new gov-technology, vaccines, diagnostions will qualify for receiving areas. He pledged "necessary additional capital" for reviving the Small Farmers Agri-business Consortium (SFAC) which became operational in 1998. The M.S. Swaminahan Research Foundation had identified 13 districts with huge potential for agri-businesses requiring investment of Rs. 170 crore.



### A complete absence of application of mind: Sinha

By Our Special Correspondent

NEW DELHI, JULY 8. The Opposition parties today found little to cheer about in the General **Budget presented by the Union** Finance Minister, P. Chidambaram, and claimed that most of the proposals were a rehash of the measures announced by the previous National Demoits interim budget.

The former Prime Minister, Atal Bihari Vajpayee, was of the view that most of the schemes announced today were a carry over from his Government and wondered from where the United Progressive Alliance would find the resources to fund these schemes.

He described the Budget as a "mixed one" and did not share the view that it would spur growth. He also expressed his concern at the Government's silence on the Golden Quadrilateral project. Mr. Vajpayee did not accept the Government's claim that the measures announced by it would facilitate a growth in the economy.

A raw deal, says Venkaiah Naidu

The BJP president, Venkaiah Naidu, however, came down hard on the Government and described the Budget as an "exercise in deception and deceit."Citing examples, Mr. Naidu said the Budget promised 100 days of guaranteed employment to at least one memalone would require Rs. 3 lakh

He regretted that the allocation for the Rural Development Ministry had been reduced from Rs. 19, 200 crores allotted by the NDA Government to Rs. 15, 998

"The Prime Minister's promise of a new deal for rural India has turned out to be a raw deal," Mr. Naidu said.

He also criticised "meagre allocation of Rs. 31 crores for panchayats and Rs. 30 crores for flood control. He said the budget did not crores, he said.

mention either the Jai Prakash Narain Rural Trade Fund or industries created by the previous Government. The former Finance Minis-

ter, Yashwant Sinha, was extremely critical of Mr. Chidambaram's decision to levy a two per cent across-theboard cess on all taxes and said it was a "mindless act." Mr. Sinha said it showed "a complete absence of application of mind" on the part of the Minis-

Mr. Sinha clarified that his party was not against mobilisation of resources for education but was of the view that the Minister should have thought through the measure before announcing it. According to him, the move

to levy the cess was bound to have an inflationary effect and lead to price rise.

Mr. Sinha also sought to puncture the Government's claims of presenting an agriculture-friendly budget.

He said the Budget had failed to live up to the promises made in the Common Minimum Programme and that the allocation to the agricultural sector had only gone up by Rs. ber of every family and this 900 crores. The hike in the excise duty on steel and edible oils was bound to be "inflation-

> Mr. Sinha expressed satisfaction over the increased Defence outlay but regretted that the NDA Government's plans for a capital expenditure non-

crores to Rs. 12, 749 crores and the funds for Food and Consumer Affairs had plummeted from Rs. 149 crores to Rs. 84 'Inflationary' The former Agriculture Min-

doned. Budgetary allocation

for Communication and Infor-

mation Technology had also

come down from Rs. 15, 682

but inflationary." On the farm front, the schemes announced by the NDA Government had been reiterated but there had been no decision on reducing the rate of interest on credit, which was reduced by the previous Government from 12 per cent to 8 per cent, which would really help farmers, he said. The Telugu Desam Party, an

ally of the BJP, expressed doubts over the Government's ability to keep the fiscal deficit down.

Senior party leader C. Ramachandraiah said that to keep the fiscal deficit down, the Government had to reduce spending on defence, debt servicing and revenue expenditure. The Government had hiked Defence expenditure by nearly Rs. 12,000 crores.

However, Suresh Prabhu of the Shiv Sena described the Budget as a "balanced" exercise that provided relief to varsectors such agriculture and the working

"There are some welcome measures for micro irriga-

He said the Finance Minister had tried to do a tightrope walk, keeping in view the demands of various sections and political parties. "He was not able to balance the Budget but balanced political forces," he

### has vision for agriculture' Implementation of programmes 'Budget is my worry: Chidambaram have to follow. He allayed appayee's comment that the budment. Describing the budget as "pro-poor and pro-farmer", Mr. get was silent on the Golden prehension that the budget would fuel inflation emphasis-Prasad said it added to the pres-Quadrilateral project, Dr. Singh

By Our Special Correspondent

NEW DELHI, JULY 8. The United Progressive Alliance today hailed the budget proposals asserting that the direction was guided by the agreed Common Minimum Programme (CMP) with thrust on agriculture, rural development, irrigation and education among others. The Prime Minister, Manmohan Singh, praised the Finance Minister, P. Chidambaram, for preparing a "exceedingly good job" specially taking into consideration the fact that the Government had just four weeks for the task as against normal four to

five months of preparation. He said the budget proposals were aimed to translate the vision of CMP and in guiding the path the Government would ing that the Government would said: remain alert. "We shall remain continue alert. There is great emphasis on fiscal responsibility," he said adding that the revenue deficit was pegged at 2.5 per cent while the fiscal deficit was kept at 4.4 per cent. "This should give enough assurance that our government takes the task of fiscal consolidation very seriously,"

Dr. Singh told correspondents. The focus of the budget, he said, was that it has a vision for agriculture, irrigation and rural development. He also pointed out that the Government had taken out 1.4 crore people out of

the income tax net. Responding to the former Prime Minister, Atal Bihari Vaj-

"good projects will

The Congress said budget proposals were in line with the promise made by the Government in CMP. "It has the fragrance of village, reflects the concerns of the poor and the deprived classes of society," the party spokesperson, Satyavrat Chaturvedi, said adding that it also promised to focus on neglected areas such as agriculture, plight of farmers, rural development, health, education and national security.

The Rashtriya Janata Dal chief and Railway Minister, Lalu Prasad, said the budget had undone the injustice done to Bihar all to see," the party general secby the previous NDA Govern- retary, Amar Singh, said.

tige and the credibility of the UPA Government. "Both the Railway as well as the General budget are a credit to the new Government."

The mixed reaction from the Samajwadi Party mirrored the dilemma before the party vis-àvis its relations with the UPA. The party welcomed the measures announced for farmers and the agricultural sector but was critical of the Government's decision not to announce a special package for Uttar Pradesh.

"The initiative for the farm sector is welcome but the discrimination against the Samajwadi Party and U.P. is there for

By Our Special Correspondent NEW DELHI, JULY 8. Shortly after he said.

presenting the General Budget, the Finance Minister, P. Chi-On growth, Mr. Chidambadambaram, said that his one worry was the implementation of the programmes and policies outlined in it.

"If there is one pressure point, it is implementation. We have provided the direction and the money, for the Sarva Shiksha Abhiyan (universal education), for the food-for-Work programme and many others. Now, much depends on implementation," Mr. Chidamthe budget.'

The budget was not inflation-

ary since the indirect tax pro- lot from his budget but admitposals were revenue neutral. "I don't see any impact on prices,'

ram was optimistic that the targeted 7-8 per cent growth could be achieved. "If agriculture proves," he added. picks up, if industry and services grow, I think we can look to high growth. Industry should pick up since I have not done anything anti-industry. Rather, there are measures to encourage industrial growth. It is true that they expected more, but there is nothing anti-industry in

He was candid in confessing that taxpayers had expected a

Government revenues in a year when new responsibilities had been assumed. "I have said I will take a look at tax rates in the next budget if compliance im-

Asked about the high revenue Chidambaram said the additional impact of direct tax changes was Rs. 2,000 crores. The higher revenue expectations were on account of norplus the plans to collect a sub-

ted that he could not sacrifice because of court orders, there were many other cases where there were no such orders. Such cases accounted for about Rs. 15,000 crores in direct taxes and Rs. 3,000 crores in indirect tax-

A strategy was being worked projections in the budget, Mr. out to recover the arrears and around Rs. 8,500 crores could be the estimated collection.

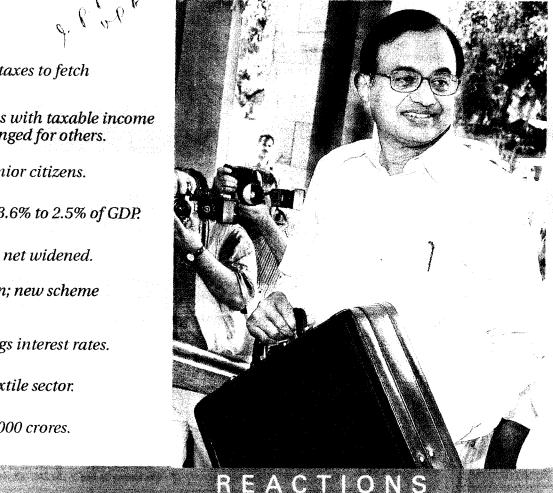
On the Employees Provident Fund, it was pointed out that there was no change in the 8 per mal historic growth in revenues cent interest paid under the Special Deposit Scheme. As for stantial sum of arrears which any change in EPF returns, the were locked up. Finance Minis- officials said it was for the trusttry officials later explained that ees to take a decision.



### **Budget with a difference**



- 2% education cess on all taxes to fetch Rs. 4,000 -5,000 crores.
- No income tax for persons with taxable income of Rs. 1 lakh; rates unchanged for others.
- 9% interest scheme for senior citizens.
- Revenue deficit cut from 3.6% to 2.5% of GDP.
- Service tax hiked to 10%; net widened.
- Special focus on irrigation; new scheme for rainwater harvesting.
- No change in small savings interest rates.
- New excise package for textile sector.
- Direct taxes to raise Rs. 2,000 crores.



### **New Proposals**

FDI caps raised in telecom, insurance and civil aviation.

Interest rate on Central Government loans to States cut.

New Board for Reconstruction of Public Sector Enterprises.

Special packages for Bihar, J&K, North-East.

Investment Commission to be set up.

Rs.25,000-crore Backward States Grant Fund from April 2005.

Pilot Food Stamps Programme.

Securitisation Act to be amended.

New health insurance scheme for poor.

**National Manufacturing Competitive** Council to be set up.

### New rural hospitals offered tax incentives.

Tax on gifts of more than

Rs. 25,000 from non-relatives.

Tonnage tax on shipping. Tax breaks for new agro-

### Indirect Taxes

Dire eld axes

Long-term capital gains tax

Short-term capital gains tax on securities cut to 10 per cent.

on shares removed

processing units.

New transaction tax on share deals.

Excise exemptions for tractors, agricultural implements.

Excise cuts on meat, fish and poultry foods.

Zero excise on computers.

Excise raised on steel; customs duty lowered.

85 items removed from SSI list.

Excise duty imposed on contact lenses, black & white TVs.

Customs duty raised on refined palm oil.





"We were accused of flying high, now the Government has been grounded. Some ood provisions but overall far from satisfactory."

- Atal Bihari Vajpayee Former Prime Minister



chlear

limbs.

"Seeks to translate the vision of combining rapid economic growth with faster progress on the road to social equality. Has done an exceedingly good job."

> – Man**nohan Sin**gh Prime Minister



"Positive for agriculture, education and rural uplift, as in CMP. **But concessions** for foreign capital unwarranted."

Prokash Kara CPI (M) Po u sureau me



"An unworkable budget. A few sops aimed at the gallery. Encroaches on the domain of States. A bag full of gimmicks, sound and fury signifying nothing."

Jayalahthai

### INBRIEF

### Mirwaiz not to take charge

SRINAGAR, JULY 8. The senior leader of the Hurriyat Conference, Mirwaiz Umar Farooq, said today that he would not take over as the interim chairman of the amalgam and would instead begin efforts to restore the constitutional shape of the conglomerate. — PTI

— Details on Page 15

### Ex-Enron chief charged

HOUSTON, JULY 8. Nearly three vears after a probe began into the financial fraud that led to the collapse of the energy giant, the former Chairman and Chief Executive of Enron, Kenneth Lay, has been charged in a sealed indictment by a federal grand jury here. -

- Details on Page 17

### 'Starvation persists'

By Our Special Correspondent

KOLKATA, JULY 8. Though the

Government has found no evidence of any starvation deaths in the tribaldominated pocket of Amlashol in West Midnapore district as alleged by some Opposition parties, the West Bengal Chief Minister, Buddhadeh Bhattachariee, told the Assembly today that a starvation-like situation did persist in certain backward Details on Page 15

### **BUSINESS**

 Progressive, forwardlooking budget: chambers — Page 18

### **SPORT**

Copa America: Argentina thrashes Ecuador

### TAMIL NADU

benefit' - Page

Talk of the Town — Page 2 \* 'Desalination plant a huge

FRIDAY REVIEW

\* A mixed bag of results — FR-1

### **Emphasis on agriculture,** social sectors

By Alok Mukherjee

NEW DELHI, JULY 8. In a well-crafted budget presented in Parliament today, the Finance Minister, P. Chidambaram, has managed to re-orient the Government's policies and programmes to suit the priorities outlined in the Common Minimum Programme (CMP) of the ruling United Progressive Alliance, while simultaneously takforeign investors.

Expectedly, there sis on the poorer sections of society, agriculture and rural development. A section of the taxpavers have got some income tax relief. But a two per cent education cess has been levied on all taxes - income, corporation, excise and customs duties and service. The Minister said it was not possible for him to extend concessions to other sections in a year when the Government had assumed additional responsibilities. But he promised a "re-look" in the next Budget if tax compliance improved. The 2 per cent cess is expected to

yield about Rs 4,000-5,000 crores in a year. Mr. Chidambaram has not increased the exemption limit for income tax; nor has he changed any rates or slabs. The only relief is that those having a taxable income of up to Rs. 1 lakh annually will not have to pay any tax. For those with a taxable income of above Rs. 1 lakh, the existing liabilities remain, plus the two per cent

cess. However, there will be no change in the rate of interest on small savings such as the Public Provident Fund, the General Provident Fund and the Special Deposit Scheme where some money of the Employees Provident Fund and all of them will attract an eight per cent interest this year. Senior citizens will have special bonds fetching a return of nine per cent. There is change in the corporate tax rates too.

### **Indirect taxes**

It is a mixed bag on the indirect taxes front, resulting in lower prices for some items and an increase for some others. For instance, tractors, comput-

ers, dairy machinery and hand structions and risk premium actions has been replaced by a tools such as spades, shovels, sickles etc., will be cheaper. Alservices. so cheaper will be rehabilitation aids such as talking books, Braille computer terminals, Braille writers and typewriters, assistive listening devices, co-

implants, crutches,

Diagnostic kits for detection of all types of hepatitis, ambuing on board industry and the lances and stair lifts will also be cheaper. LPG stoves with prices ing up to Rs. 250 and writing instruments up to Rs. 200 in value will also be cheaper. The textile industry, which was plagued by confusion over imposition of Cenvat has been

walking frames and artificial

provided relief. Interestingly, platinum imports will now attract a lower duty while the rough coloured precious gemstones have been totally exempted.

Items which will now cost more include contact lenses, vacuum flasks, scented supari, prefabricated buildings, black jewellery, candles and watches. The service tax rate has been

increased from 8 per cent to 10 per cent and the coverage expanded from the current 58 services to cover some more. Thus, business exhibitions, airport services, services provided by transport booking agents, transport of goods by air, survey and exploration services ment which would also faciliand opinion poll services will now be subject to tax. Also included are intellectual property services other than copyright, pandal and shamiana contractors, outdoor caterers, independent TV and radio

component of life insurance

Moving away from the fiscal front, the budget provides an additional Rs. 10,000 crores to implement some of the schemes and programmes of the CMP. The Planning Commission has been entrusted with this amount and once the Central Ministries and Departments reformulate their projects in line with the CMP policies, additional funds would be made available.

The promise of putting in place an Employment Guarantee Scheme has been reiterated and till such time the scheme is formalised, a food-for-work programme will be launched in 150 most backward districts. Funds for this programme would be garnered from the schemes already under implementation and some Rs. 6,000 crores is said to be available. The Universal Health Insurance Scheme for the poor is to be reworked and the premium reduced and the Government and white TV sets, imitation intends to provide Rs. 40 crores ing schemes towards the new as subsidy

### **Investment commission**

While sticking close to the CMP, Mr. Chidambaram's budget is not short on the reforms side. An investment commission has been proposed to solicit and encourage both domestic and foreign investtate potential investors in implementing their plans.

The foreign direct investment limits in the insurance, brokers of forward contracts, civil aviation and telecom sectors are to be raised and foreign institutional investors (FIIs) would have simpler procedures programme producers, con- while operating in the stock struction services in the case of markets here. The long-term commercial or industrial con- capital gains tax on share trans-

> On our website (www.hindu.com) Budget speech text

On Page 13: Turnover tax dampens stock market; lack of application of mind, says BJP.

On Page 14: Relief for pensioners; rise in FDI ceilings; more funds for armed forces and Central police forces.

On Page 15: Dickens and a bit of Bollywood.

turnover tax.

Mr. Chidambaram has not shied away from disinvestment of the public sector undertakings (PSUs) either, taking credit for a Rs. 4,000-crore collection this year. While the CMP stand of not privatising profit-making PSUs has been maintained, the Minister announced offloading five per cent of its equity in the National Thermal Power Corporation.

Other measures under consideration include exercising the call option in BALCO and some other PSUs. The budget also proposes a board for the reconstruction of public sector enterprises, which will advise the Government on measures to restructure the ailing units. The restructuring proposals would include disinvestment and closure or sale.

Despite the emphasis on social infrastructure, the fiscal picture of the budget is not distorted since the Minister has restructured most of the existpriorities.

The additional revenue through direct taxes is estimated to be Rs. 2,000 crores this year while his indirect tax proposals would be broadly reveneutral. The Plan expenditure for 2004-05 is expected to be Rs. 1,45,590 crores while the non-Plan expenditure would be Rs. 3,32,239 crores. Revenue receipts are estimated to be Rs. 3,09,332 crores and revenue expenditure Rs. 3,85,493 crores, leaving a deficit of Rs. 76,171 crores - equivalent to 2.5 per cent of the gross domestic product - one percentage point below the corresponding estimate of 3.5 per cent in 2003-04.

With the total expenditure expected to be Rs. 4,77,829 crores, the fiscal deficit is estimated to be Rs. 1,37,407 crores or 4.4 per cent of the GDP.

Incidentally, this is the exact percentage of fiscal deficit estimated in the interim budget presented in February this year by the then Finance Minister, Jaswant Singh, while Mr. Chidambaram's revenue deficit is lower than the 2.9 per cent estimated then.

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### ্ষুণ পাঁচ মুম্ভাবিক বিভিন্ন পি ব ব্যক্ট ক্ষ প্ৰতিক্ৰি বিভিন্ন ক্ষ ক্ষা হছে কে। স্থান মুখ্য ক্ষ মাদিলি, ৭ জুলাই এধনমন্ত্ৰী থাকার ধুমুম জর্জকে মধ্যে পার্থক কেই। আলোচনা হলে এ নিয়ে দলের মুখ্পার সুযমা স্বরাজ জানিয়ে দেন, লালুকে প্রন্ন ব্যক্ত করা হছে কেন। লালুপ্রসাদ সহ পাঁচ অভিযুক্ত মন্ত্রীকে কংগ্রেসের ব্যক্ত মেন নিত পারেননি বাজপেয়ীর মন্তব্যভ সংদে তুলে বিজেপি- অভিযুক্ত মন্ত্রীদের বয়কট করা হবে। জবাব, লালু নমু, তাঁরা স্বকা

বিজেপি পুরোপুরি বয়কটের সিদ্ধান্তই নিল এন ডি দেওয়া হয়নি। লালকৃষ্ণ আডবাণীর নেতৃত্বে দিকে তাকিয়ে লালুর বিরোধিতায় ঠিক সেই এ। প্রাক্তন প্রধানমন্ত্রী অটলবিহারী বাজপেয়ীর আপত্তিকে এ ক্ষেত্রে আমল লালুপ্রসাদ-সহ পাঁচ মন্ত্রীকে কোনও প্রশ্ন বয়কট করবেন। কংগ্রেস ও বামেরা যে করেছিলেন, বিহার বিধানসভা নির্বাচনের এন ডি এ নেতাদের বৈঠকে ঠিক হয়েছে, তাঁদের বক্ততাও শোনা হবে না। রেলবাজেট নিয়ে বিতর্কে বিজেপি সাংসদেরা অংশ নিলেও লালুর জবাব তাঁরা করা হবে না, কোনও দাবি জানানো হবে না, ফার্নান্ডেজকে রাজাই নিয়েছেন বিজেপি নেতৃত্ব।

প্রধানমন্ত্রীর তা ঠিক করার পূর্ণ অধিকার বিজেপি এমন নৈতিক প্রশ্ন তুলেছে, যা কংগ্ৰেসের মতে, আইনের চোখে দুটিই বাজনোয়ী। বিজেপি সূত্রের খবর, বাজসেয়ী <u> इरायष्ट्</u>र। जाँत **এ**ই कारिकात निरंत क्षेत्र ফৌজদারি মামলা। তাই আডবাণী ও লালুর চাননি এন ডি এ-ও একই পথ নিক। বাজপেয়ীর মতে, কে মন্ত্রী হবেন উঠতে পারে না। কিন্তু লালুদের ব্যাপারে এন ডি এ সেই প্রশ্নটাই তুলে দিল। বিজেপি নেতাদের বক্তব্য, অযোধ্যায় বিতর্কিত সৌধ थवश्यत्र व्यामीत्त्र ब्याष्ट्रवामी, त्बामीत्मत्र বিরুদ্ধে রাজনৈতিক মামলা হয়েছিল। আর লালুর বিরুদ্ধে দুর্নীতির মামলা চলছে। তাই আডবাণীদের বিকল্পে তোলা যায় না।

বিজেপি এ নিয়ে আলোচনার পথে যেতেই অভিযুক্ত মন্ত্রীদের বাদ দেওয়ার দাবি কে কোণঠাসা করতে চায় কংগ্রেস। কিন্তু প্রধানমন্ত্রীর কাছেও এন ডি এ নেতারা গিয়ে চাইছে না। তারা সংসদও অচল করবে না। শুধু অভিযুক্তদের বয়কট করবে। জানিয়ে আসবেন।

আডবাণী এন ডি এ নেতাদের নিয়ে বৈঠক এই ব্যাপারে সুপারিশ করার জন্য একটি সুপারিশ করে। সঙ্গে সঙ্গেই সেই সুপারিশ মেনে নেওয়া হয়। পরে সংসদতবনেই করেন। তাঁর আগেই বিজেপি সংসদীয় গতকাল এন ডি এ সাংসদদের বৈঠকে কমিটি করা হয়েছিল। সেই কমিটি আজ আডবাণীর কাছে লালুদের বয়কট করার

করে লালুকে বসিয়ে দেন। তারপর আর জবাব, লালু নয়, তাঁরা সরকারকে প্রশ করছেন। তবে এই বয়কটকে ঘিরে বিজেপি ও লালুর রাষ্ট্রীয় জনতা দলের উত্তেজনা क्यम ६दाय छैठेछ। जाब मुमीन त्यामी যথন বলছিলেন তথন লাল জবাব দিতে যান। কিন্তু বিজেপি সাংসদেরা চিৎকার সুশীল মোদীকে 'চোর' 'লুঠেরা' ইত্যাদি বলতে শুক করেন। এ নিয়ে কিছুক্ষণ জে ডি সাংসদরা প্রচন্দ উত্তেজিত হয়ে

कश्खामत भाष जाँदा किन ठलाइन বিরুদ্ধে কোনও এফ আই আর বা মামলা ছিল না। তাই লালুর ব্যাপারে জর্জের সঙ্গে জানতে চাইলে সুষমা বলেন, কোনও তুলনা সম্ভব নয়। र्ट्ट्ट्रा रूप।

দলের মুখপাত্র সুষমা স্বরাজ জানিয়ে দেন, লালুকে প্রশ্ন করা হচ্ছে কেনং সুষমার

সংসদীয় দলের মুখপাত্র বিজয়কুমার প্রেমচন্দ্র গুপু এবং শিবু সোরেন। এম এ তাঁকে বয়কটের তালিকা থেকে বাদ দেওয়া হয়েছে। তবে বিজেপি নেতারা এটাও পরিষ্কার করে দিয়েছেন, তালিকায় ফাতমির বিরুদ্ধে এফ আই আর নেই বলে পাঁচজনের নাম থাকলেও তাঁদের প্রধান মলহোত্র জানিয়েছেন, পাঁচ মন্ত্রী হলেন, লালুপ্রসাদ, জয়প্রকাশ, তসলিমুদ্দিন,

मुमील মোদী लानुक्षमाদक् नाना क्षभंड লালুকে ব্যকটের সিদ্ধান্ত নিলেও दिनवारको भित्र विष्टिक बाक घश्म নিয়েছে বিজেপি। এই বিতর্ক শুরু করে করেছেন। বয়কটই যদি করা হবে তা হলে नक्ष नान्है।

ANADABAZAR PARTIKA

THURSDAY, JULY 8, 2004

### ON THE RIGHT TRACK

THE PRIORITIES HIGHLIGHTED in the United Progressive Alliance Government's first official survey of the economy reflect a refreshing change in policy emphasis. The treatment of issues in the Economic Survey 2003-04 is broadly, even if not entirely, consistent with the National Common Minimum Programme (NCMP). By themselves the five major economic challenges the Finance Ministry's annual report card has identified are neither new nor exceptional. The previous Government might as well have called for sustaining annual growth between 7 and 8 per cent; maintaining annual inflation around 5 per cent; diversifying agriculture; boosting industrial growth to a yearly 10 per cent; and carrying out effective fiscal consolidation. It is the differences in the approach for dealing with these challenges that stand out. To give just three examples: First, the document explicitly acknowledges that improvements in social infrastructure — people's health and education - are essential both for sustaining rapid growth and the effects they have on welfare. Secondly, the recovery in agriculture depends crucially on an enhancement of the flow of institutional credit. Thirdly, while India has a dynamic service sector (especially in information technology), broad-based growth in industry will have to make the larger contribution to job creation. Government thinking in the recent past has either downplayed the importance of these approaches or suggested much the opposite.

The most noteworthy aspect of the Economic Survey is the manner in which it deals with the question of growth and distribution. It recognises that rapid economic expansion is a necessary but insufficient condition for poverty reduction. An appropriate enabling environment has to be created for the underprivileged to be able to reap the benefits of faster growth through an expansion in employment. The Survey makes the important argument that cost recovery in the public

sector can turn out to be counterproductive, since it can end up denying the poor access to vital education and health services. An increase in user charges cannot, therefore, become a mantra of government policy. The report calls for a multipronged reform of anti-poverty programmes, if they are to make better use of enhanced allocations and make an impact on rural and urban distress. These are all old truths, but the problem has been that the obsession with growth and the lack of concern with distribution had blinded governments of the past decade to their importance. However, the emphasis the UPA Government places on these issues would have been better conveyed if they had been foregrounded in the important section on "Issues and Priorities" rather than tucked away in the last chapter on the

There is at the same time a continuity with the past in certain areas. Changes in labour laws to increase flexibility in employment contracts have been on the agenda since 2001. The UPA Government's Economic Survey too sees them as necessary for industry to more fully exploit its potential, although there is a call now to first evolve a popular consensus on this highly controversial issue. There is also a casualness with which certain important proposals in the NCMP have been discussed. Rural employment guarantees and expanded food-for-work programmes together get only a brief mention. This appears to be more a ritualistic nod to the ruling coalition's charter of promises than a serious appraisal of the usefulness of such schemes. If there are major hurdles to be cleared before the two important employment proposals can be implemented, there has to be an informed debate on design, funding and implementation. The Economic Survey 2003-04 provided just such an opportunity, but it was one that, unfortunately, was not utilised.

C 22 200

SURVEY WARNS OF GROWING FISCAL DEFICIT, INFLATION, SKEWED TAX REGIME

### Thinks in the economy

### SURVEY SAVVY



7-8 per cent GDP growth, 10 per cent ndustrial growth

Boost for agricultural growth through development; emphasis on agrodiversification & broad-based

Overhaul tax exemptions, strict penalties

to curb evasion

Concern over low teledensity and internet Fee hike for higher education

States get extension to unbundle SEBs Fiscal consolidation, elimination of

Inflation to be maintained at five per cent Forex reserves at \$119.3 bn (31 May revenue deficit

Combined fiscal deficit in 2003-04 at 9.4%

of GDP, Indications of hardening of interest rates in near future

No disinvestment in profit-making PSUs Equity markets return 85 per cent

External debt jumps 6.47% to \$112.13 bn. Fil inflows up 1635 per cent

 Food security framework to be redesigned.
 Attract greater investment in infrastructure Reformulate policy to tackle poverty

1

Design specific micro strategies for export growth States to cut down fiscal deficits

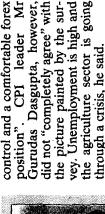
### outlining the UPA government's broad agenda, the Economic NEW DELHI, July 7. — While Survey 2003-04 has projected India's macro-economic outlook Statesman News Service

mounting fiscal deficit, a rising inflation rate of around five per The survey, tabled in Parlia cent and a skewed tax regime.

the hardening global prices of oil and non-oil commodities as ment a day before presentation of the Union Budget, listed the need to boost farm growth and among other challenges before the government. It also warned of credit pick-up, the possibility that with fiscal deficit and signs of interest rates moving north wards could not be ruled out.

While the reduction in the reduction in average cost of govthat interest rates should remain margin, its effect in terms of interest rates has helped at the this to happen, it recommended ernment debt is yet to be felt. For low for several years.

pressure. The markets were Capital markets were the first rate-related stocks came under to react to the survey, as interes tocks went up.



small-scale industries, high customs tariff, rigidity in labour industrial growth, the survey said, five constraints that need to laws, reaping economies of scale, friction in creation and closure To achieve a higher 10 per cent be tackled are: reservation for of firms and distortions in indi-

"Service tax has a very large base whose standards of maintenance vice taxes and Value-added Tax. The survey said there was need of taxpayers..., who are mostly non-corporate in nature, and to augment revenue through serrect tax structure.

be gradually reduced to align with that of Asean countries. The customs duty, whose peak rates were reduced to 20 per cent in the interim budget, must of accounts are rudimentary."

private partners, pointing to the Electricity Act 2003 and the unbundling and replacing of On infrastructure, the survey has suggested a greater role for state electricity boards.

More reports on pages 5 & 9

economy with inflation under

penal mechanism to check evasion and better targeting of sub-sidies, to sustain 7-8 per cent survey said fiscal deficit had to Pitching for hard reforms, the be reduced by overhauling the tax exemption regime, strict year, he said after tabling the Economic Survey in Parliament. pood but that was in the face of param today strassed the need to sustain last year's economic prowth. Last year's growth was Inance minister Mr P Chidam VEW DELHI, July 7. — Union a poor growth in the previous Crowth rate as healthy. It, however, gave warning signals on the country's

Reacting to the survey, BJP MP Mr VK Malhotra said the NDA had handed over "a sound economic growth.

THE STATESMAN

Lalu ladles out the sops

Statesman News Service

NEW DELHI, July 6. — Playing to the gallery while facing rows of empty Opposition benches, railway minister Mr Lalu Prasad today presented his maiden budget for 2004-05. Unabashedly populist and silent on any reform, the budget proposes no hike in either passenger fares or freight rates.

Mr Prasad only made adjustments in the parcel rates to net an additional Rs 50 crore. He announced a slew of concessions, including free second class travel for unemployed youths appearing in interviews for government jobs and 75 per cent concession in second and sleeper classes for widows of defence personnel killed in action against terrorists and extremists.

Escorts of deaf and dumb people will now get a 50 per cent concession in fares in first, second, sleeper classes as well as in season tickets. Justifying this, Mr Prasad in his characteristic style said: "This is to ensure the handicapped person reaches the correct destination. God forbid, a person wanting to go to Kolkata will find himself on a train to Chennai."

Severe and moderate haemophilia patients and their escorts travelling for treatment in first, second, sleeper, AC chaircar and AC 3-tier classes will be entitled to a 75 per cent concession.

Mr Prasad also announced introduction of 15 new Express trains, including four that will touch his home state Bihar. This is in addition to the 17 Sampark Kranti trains announced in the interim budget presented early this year by Mr Nitish Kumar.

A new wheel-manufacturing unit at Chhapra, Bihar, is expected to recycle the abundant scrap steel available with the railways.

Despite no increase in passenger fares or freight rates, and post-interim budget factors of 50 per cent DA merger and increase in diesel prices, for upholstery and linen.

the operratio ating showed an improvement, albeit marginal.

> The interim budget had anticipated a growth rate of 5.49 per cent in passenger earnings for 2004-05. But in view of the actual growth rate achieved during 2003-04, the passenger earnings have been revised downward from Rs 14,200 crore to Rs 13,940 crore.

> The budget identifies reforms, modernisation, replacement and renewal of assets and passenger safety as the major thrust areas. It calls for a control over expenditure and prevention of revenue leakage.

> The minister announced that tightlock centre buffer couplers would be fitted in superfast trains to prevent coaches from climbing over each other during accidents.

> He also announced a project to develop "an environment-friendly coach toilet discharge system", which envisages total sanitation by 2012. The new system will be similar to the one used in aircraft. In addition, the waste will be used to generate biogas and manure.

> Mr Prasad's favourite kulhars will replace plastic cups and khadi will be used

freehies, sick sops Free rail travel in second class for unemployed youths attending interviews for selection to Central government jobs. 75 per cent concession in fare for widows of defence personnel killed in action against terrorists, severe to moderate heemophilia patients travelling for treatment. Escort

accompanying a deaf and dumb to get 50 per cent

concession in fare. Spause of licensed coolie to get

Carry on khadi, kulhar Upholstery, linen used in trains and railway offices to be of khadi, disposable kulhars to replace plastic cups.

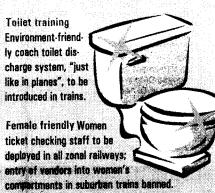
Wheeled out Describing the AH Wheeler bookstalls at railway stations as relics of the British Raj, the railway minister

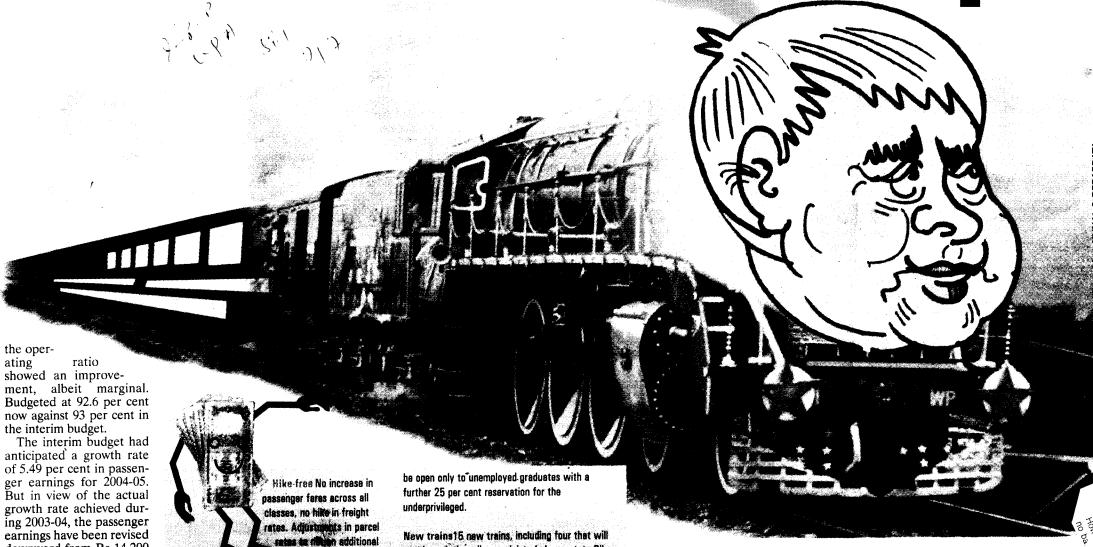
introduced in trains.

run through the railway minister's home state Bihar. These are apart from the 17 Sampark Kranti Express trains announced in the interim budget by his predecessor.

Dig in Milk and milk products sourced from cooperatives at all catering outlets; catering services at stations and on trains will be improved.

Rural roll Village-on-Wheels trains, comprising ordinary sleeper class coaches, will be introduced for the common man and will run to a pre-determined schedule that will take in places of religious and historical importance at an affordable cost.





### Singh takes House truce appeal to Vajpayee

### Boycott bid sends PM to ex-PM

**OUR BUREAU** 

New Delhi, July 5: When Laloo Prasad Yadav rises to unveil the railway budget tomorrow, the country will know not only what lies ahead for train passengers but also whether two of India's most respected politicians can prevent the derailment of a parliamentary convention.

Prime Minister Manmohan Singh today spoke to his predecessor Atal Bihari Vajpayee in a bid to avert an Opposition boycott of the presentation of the railway budget over the "tainted ministers" stand-off.

The extraordinary exercise which also saw the Prime



loo Prasad drinks lassi in a ulhar at Rail Bhavan on 1day, Picture by Jagdish Yaday

Minister making a renewed appeal to L.K. Advani - did not yield any blanket assurance. But Singh remained optimistic of a rapprochement, failing which a budget will be presented for the first time amid an Opposition boycott.

"I spoke this morning to Vajpayee and Advani and repeated my request that regardless of our differences, we should let Parliament function and all these issues can be discussed," the Prime Minister told reporters in the evening.

Asked what their response was, Singh said: "Hopefully, it should be resolved by tomorrow. But let us see, we will know.'

The ruling United Progressive Alliance said it would neither remove the "tainted ministers" — Laloo Prasad tops the Opposition blacklist - nor apologise for sacking four governors on "ideological" grounds — another issue that has polarised the House further.

The coalition seems to be banking on the Prime Minister's persuasive powers and signs of differences within the Opposition alliance to break the impasse. The UPA's strongest bet for a truce appears to be the goodwill Singh enjoys across the political spectrum and the reputation of Vajpayee, now the chairperson of the Opposition NDA, as a defender of parliamentary propriety.

The Prime Minister had spoken to Opposition leader Advani on Saturday. But the conversation did not have much impact and the Opposition today forced an adjournment of Parliament after the Rajya Sabha swearingin was over. (See Page 6)

Referring to Singh's fresh initiative, Congress sources said that while Vajpayee's tone with Singh was "conciliatory" - despite the former Prime Minister's sharp condemnation of the governors' sack — Advani indicated that the government's action left "little or no scope" for reconciliation.

But the BJP came under pressure from some of the other NDA constituents to find a "facesaver". A meeting of the NDA this morning to finalise its approach was inconclusive. Another meeting will take place tomorrow morning. Sources said three allies -the Shiv Sena, Akali Dal and the Telugu Desam Party privately voiced reservations about the proposed boycott.

"Boycott serves no purpose. We want to participate in the discussions and point out the possible lacunae in the railway budget," a Desam MP said.

The Janata Dal (United) is the only constituent which backed the BJP to the hilt because of the Laloo Prasad factor and its impact on Bihar politics.

The NDA sources said the probable strategy could be to walk out when Laloo Prasad presents his budget and boycott the speeches and submissions made by the "tainted" ministers during the entire session.

THE TELEGRAPH

6 JUL TUSA

### Govt marches ahead with new appointments; Gandhi family favourite takes charge of UP

### Manmohan governors get crown

OUR SPECIAL CORRESPONDENT

New Delhi, July 5: The Manmohan Singh government today appointed governors in four states ruled by non-Congress parties even as the controversy over the sacking of the previous occupants of Raj Bhavan in these states reached the Supreme Court.

Three of the four governors appointed by President A.P.J. Abdul Kalam are career politicians from the Congress. They are Nawal Kishore Sharma, A.R. Kidwai and S.C. Jamir.

The fourth — T.V. Rajeshwar — retired as head of the Intelligence Bureau when Indira Gandhi was Prime Minister and had a stint as governor of Bengal when Rajiv Gandhi was Prime Minister. Rajeshwar has been appointed governor of Uttar Pradesh.

Sharma, a senior Congress leader, has been made governor of Gujarat. Former Bihar governor Kidwai — who was removed by the NDA government in his last stint as governor — will take charge in Haryana, while Jamir, a former Nagaland chief minister, will head for Goa.

A Rashtrapati Bhavan communiqué this evening said: "The appointments will take effect from the date they assume charge of their respective offices."

The appointments came even as a BJP MP filed a public inter-

est litigation in the apex court challenging the sacking of Vishnu Kant Shastri (in Uttar Pradesh), Kailashpati Mishra (Gujarat), Babu Parmanand (Haryana) and Kidar Nath Sahni (Goa). All four, who had RSS-BJP backgrounds, were appointed during the previous National Democratic Alliance regime.

Home minister Shivraj Patil had last week defended the decision to remove the four — after they refused to put in their papers — on the grounds that they were associated with a different ideology and would have problems adjusting to the change of government.

In his late seventies, Rajeshwar's appointment as governor of Uttar Pradesh is considered significant in view of the continuing spat between the Congress and the ruling Samajwadi Party over the deteriorating law and order condition, besides other issues like power cuts. Rajeshwar, who has also served as governor of Sikkim, is expected to keep a close watch on political developments in the state.

Sharma, on the other hand, enters Gujarat Raj Bhavan at a time when chief minister Narendra Modi has become a target of attack of dissidents in the BJP and is in the middle of a furore caused by former Prime Minister Atal Bihari Vajpayee's critical comments.

Sharma, 79, has been in ac-



tive politics for a larger part of his life and is a former Union minister and AICC general secretary. In Gujarat, he is expected to keep the chief minister on tenterhooks.

The appointment of Kidwai, 84, a sitting Congress Rajya Sabha MP from Delhi, as Haryana governor comes a few months ahead of the Assembly elections scheduled in the state ruled by the Om Prakash Chautala-headed Indian National Lok Dal. Kidwai's predecessor had landed into a controversy after his appeal to back the Vajpayeeled BJP in the Lok Sabha polls.

Jamir, who has been at the forefront of the campaign against militancy in the sensitive Northeast state, had said recently that he wanted to go to a peaceful state.

### BJP member moves court

R. VENKATARAMAN

New Delhi, July 5: The sacking of governors took a legal turn today with a BJP MP filing a public interest litigation in the Supreme Court terming the dismissals unconstitutional.

The litigation, filed by B.P. Singhal, a BJP MP and brother of VHP working president Ashok Singhal, contended that the removal of the governors of Uttar Pradesh, Haryana, Gujarat and Goa was "unconstitutional" as the statute provides for a fixed tenure of five years.

The case revives an issue pending before a five-judge Constitution bench since 1991. The PIL has not yet been marked for urgent hearing and it is not known whether the bench would be reactivated. The petition may be mentioned tomorrow before the chief justice's court for early hearing.

The Supreme Court has kept open the issue of the power of the Centre to change, remove or recall governors once a new government assumed office when such a question came before it in 1991.

Ironically, it was the Congress, through party advocate Ranji Thomas, which had then challenged the Centre's power to remove governors.

The short-lived Chandra Shekhar government was in power then and the Supreme Court did not give an answer as the exercise had become academic. But, before referring the question to the Constitution bench, Justice A.S. Anand had said: "We are keeping open

this issue to decide in a future situation."

Under Article 156 of the Constitution, "the governor shall hold office during the pleasure of the President" who "acts under the advice of the council of ministers headed by the Prime Minister". However, such an exercise of power could not be arbitrary and shall be backed by reasoning, the PIL said.

The "reasoning" of Union home minister Shivraj Patil that the governors were removed because they belonged to a "different ideology" has given a good ground for judicial adjudication on the matter, a lawyer associated with the PIL said.

"This reasoning (of the home minister) cannot stand judicial scrutiny and the test of the Constitution," he said, adding that "gross miscarriage of the office, violation of constitutional provisions, corruption and similar other reasons are strong grounds for recalling or removing a governor".

The BJP, however, chose to distance itself from the petition, holding that it was an effort of a private member in public interest. But the party added that the dismissal of the governors was a fit case for "adjudication" by the Supreme Court.

BJP leader and former law minister Arun Jaitley was in the Supreme Court and said the matter should be debated in the court so that the constitutional provision could be settled without any ambiguity.

Some of the dismissed governors are also said to be exploring legal options.



### No ill will, says Shivraj Patil HO!

NEW DELHI, JULY 3. The Union Home Minister, Shivraj Patil, today asserted that the Government's decision to dismiss the Governors of Uttar Pradesh, Goa, Guiarat and Harvana was guided by a logic that included their ideology, past actions and an assessment of a situation the Government anticipated.

"The judgment is ours," Mr. Patil told a news conference and said the dismissals were not directed against individuals.

He said the Government re-noved those Governors it moved those thought it could not get along with. It also went into past happenings, as in Uttar Pradesh and Gujarat, though he did not spell out what these were. "We took precautionary measures where we felt there could be a problem," Mr. Patil said.

While the Government wanted to take everyone along, some did not want to go along. He was against discussing or debating issues concerning a high office like that of Governor. "There is no (durbhav) ill will in our action.

Mr. Patil rejected the suggest-

ion by the former Prime Minister, Atal Bihari Vajpayee, that the United Progressive Alliance owed an apology to the Rashtriya Swayamsevak Sangh and insisted that that he had not named any organisation or identified any ideology (to which the removed Governors may have subscribed) as the reason for the removal of the Governors.

He said the Opposition leaders who were now questioning the move on the ground that it affected the federal structure of the Constitution should remember that some of them were members of the Government in 1977 when nine elected governments were dismissed in a single stroke, Mr. Patil's obvious reference was to both Mr. Vajpayee and L.K. Advani, who were Ministers in the Janata Party Government of Morarji Desai.

In an apparent reference to the BJP leaders, he said that some of them had said earlier that the Governors should go with the change of government. "The Governors are not elected representatives," he pointed

Commenting on other issues. he said the Government was planning to bring a Bill in the

budget session of Parliament to repeal the controversial Prevention of Terrorism Act and his Ministry was drafting a model law to tackle communal violence, a promise made by the UPA in the Common Minimum Programme.

The Government was taking steps to revive the "virtually non-existent or defunct" National Integration Council, a forum where elected representatives of the Centre and the States, along with social workers, organisations and othworked for national integration.

On talks with the All Parties Hurrivat Conference and the demand that these be held at the highest level, Mr. Patil said the Government was "willing." But for that to happen the ground would have to be prepared, beginning with official-level talks. "Let the stage come. None in the Government will refuse to discuss with eitinone." refuse to discuss with citizens of

As regards the talks with the banned Peoples War, Mr. Patil said that for now it was left to the States, and Andhra Pradesh had already taken the lead.

### 'Next target could be BJP governments'

LUCKNOW, JULY 3. The former Prime Minister, Atal Bihari Vajpayee, said today the Centre might target BJP Governments in various States after the dismissal of the four Governors.

"It is possible that the sword will be wielded at our State Governments next," he said and charged that the Congress could not stand the governments of other parties.

Addressing party workers here, Mr. Vajpayee said the BJP could go to court on the issue of the dismissal of the four Governors if need be.

"The Governors are appointed by the President. They can-not be removed by the government. The President also should come in the picture somewhere," he said. — PTI
'Dismissal arbitrary': Page 8

4 JUL ?nn/

# Modest hike likely in upper-class rail fares

Populist Lalgo may leave lower-class rates untouched, increase freight charges

Press Trust of India

THE 11'0'

IN LINE with his efforts to give a cial plan, Railway Minister Laloo hike in upper-class passenger fares populist touch to his maiden finan-Prasad Yadav might effect a modest class fares untouched in the Rail and freight rates, but leave lower

way Budget for 2004-05.

steel and diesel. The hike in the den of over Rs 1,000 crore on the hike in ordinary and suburban train fares in order to give some cushion to commuters. "The hikes are essentially on account of the re-Rail Bhavan sources indicated cent increase in the prices of coal prices of diesel, itself, has put a bur that there might not be any major Railways," a source said.

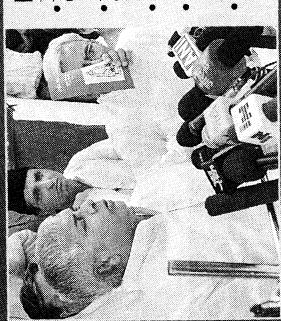
Laloo will be presenting the Budget in the Lok Sabha on July 6. This The marginal hike in upper-class would be the first Budget by the rul ng UPA government.

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Sources cited the example of reioned class, keeping in mind sea rate in long-distance trains.

luction of fares by 10 per cent from



### **Budget preview**

when Laloo presents the Budget on July 6 not expected to be more than five per cent The marginal hike in upper class fares is

nance Ministry is likely to go up by Rs 2,000 crore in keeping with the

the budgetary support from the Fi-

modities. There are indications that earned through them was only mar ginal because of low-rated comcommitment made by the Manmo-

han Singh government in its CMP.

The Budget is also likely to reflect completion of pending proj-

- ordinary and suburban train fares in order to give some cushion to commuters There may not be any major hike in
- conditioned class for long-distance trains A 'flexi-tariff' may be extended to air

ways and announce dismantling those units whose performance is Safety aspect is likely to get top priority in view of recent train mishaps and robberies. The corpoprevious government, would be im-

not upto the mark.

the performance of the public sector units attached with the Rail-

ects. Laloo is most likely to look at

- commodities like coal, steel, iron ore, cement and POL in order to push revenues Special emphasis will be laid on lifting
- The minister is likely to unfold a programme for viable commercial use of surplus railway and to mobilise additional resources

The minister is likely to unfold a

plemented in letter and spirit.

programme for viable commercial use of unutilised railway land in order to mobilise additional resources. The ministry has in its posses

rate safety plan, introduced by the

the previous NDA government. of some new long-distance trains trains in order to push the revenue from passenger front upwards, they said. There might be introduction

July 15 to September 15 last year by the then Railway Minister Nitish

Special emphasis would be laid lifted by the Railways had suron lifting commodities like coal

and unreserved ones to enable

labourers to go to growth centres, like Punjab, Delhi, Mumbai, Coim-

ich they claimed was a "runaway This "flexi-tariff" may also be extended to air-conditioned class for

Janshatabdi Express trains in order to increase the occupancy, wh-Kumar in Rajdhani, Shatabdi and

adding that there might be ratio-

than five per cent, sources said

nalisation of tariff for air-condi-

fares is not expected to be more

trains, which were announced by the 17 Sampark Kranti Express

sion a report of the parliamentary sub-committee, which had recom-

The budget might also envisage of Rs 36,000 crore by way of using construction of 100 budget hotels at surplus land with the Railways.

mended commercial use the land. It had envisaged earnings to the tune

order to increase revenue. Sources pointed out that though the freights steel, iron ore, cement and POL in

bassed the target set, the revenue

Efforts would also be made to in-

long-distance mail and express

batore and Ahmedabad.

troduce, at least on weekly basis,

### Shining cell switched off

### **OUR CORRESPONDENT**

New Delhi, July 1: The finance ministry has decided to dismantle its special media cell which handled the Atal Bihari Vajpayee government's disastrous Rs 150-crore India Shining campaign early this year.

The media cell had been created by the BJP-led NDA government to tomtom its achievements with a special focus on the much-publicised and later reviled India Shining campaign which backfired and is being seen as one of the reasons that led to the downfall of the Vajpayee regime

Deepak Sandhu, who headed the cell, is now being posted as the registrar of newspapers in India (RNI).

The second key official of the cell, Mutthu Kumar, has been posted to the Prime Minister's Office.

The media cell in the finance ministry had other publicity functions, too, but because of the sweep of the India Shining blitz, it came to be identified with the particular campaign. The cell had a few more hands but the two key officers have now been shifted.

On his first day in office, finance minister P. Chidambaram had made his priorities clear. "India must shine for all Indians. To declare India is shining was, in my humble view, mocking at the poor of India," he had said.

The BJP government spent about Rs 150 crore in a span of about three months till February

to highlight the 'feel-good factor' behind the Vajpayee government that had been generated by a burgeoning economy, foreign exchange reserves of over \$100 billion, surge in the stock markets, success of the highways programme and the strong farm sector growth brought on by a very good monsoon in 2003.

Unfortunately, the campaign

Unfortunately, the campaign is thought to have alienated the voter, especially farmers.

A prime criticism of the India Shining campaign, which was conceived by Grey Worldwide, was that it was not based on reality. Critics said that while the stock exchange index rose and the country's foreign exchange reserves swelled, the plight of the common man had not improved; if anything, it had worsened.

Criticised for reflecting the upbeat mood shared by only a small minority in the urban areas, the campaign did more harm than good to the NDA government.

Sandhu will now be pitchforked into another controversy when he takes over as the RNI.

On Monday, the information and broadcasting ministry transferred the registrar and deputy registrar of the RNI for clearing the registration of a foreign newspaper — the *International Herald Tribune* — in alleged violation of the existing guidelines on foreign direct investment in the print media. The paper is being published from Hyderabad.

The Left parties have been de-

The Left parties have been demanding that the publication of the paper be stopped.

### EPF interest rate likely to remain untouched at 9.5 pc

### ■ Unions want it raised to 12 pc

**AMITAV RANJAN &** SHISHIR GUPTA NEW DELHI, JUNE 28

THE Government is likely to keep the interest rate on Employees **Provident** Fund (EPF) unchanged at 9.5 per cent with the deficit of Rs 271 crore met through bud-

getary support.

Sources said Labour Minister Sis Ram Ola indicated the Government's intention to the Provident Employees Fund Organisation at a meeting on Thursday. The **Central Board of Trustees** of EPF is due to meet on June 30.

"The rate would be

kept unchanged to send the message that the Government will stick by its pro-farmer, pro-labour objective," the sources said.

The Government



would also set up an experts' panel to suggest money management techniques for ploughing the EPF money into nonrisky investments which would yield better returns for the Fund.

As of now, the EPFO invests its money in low-interest earning, non-risky

**CONTINUED ON PAGE 2** 

### **EPF interest rate** likely to remain at 9.5 per cent

Central or state government scurities or special deposit schemes. It also lends money to public sector financial institu-tions.

money managment does not provide better investment avenues. This needs a relook and an experts' group would be formed to recommend the alternatives," the sources said.

Unions have been demanding that the interest rates be raised to 12 per cent, as existed in 2000. But the Labour Ministry warned the Finance Ministry that this would leave the EPF deep in the red, requiring a bailout package of over Rs 2,000 crore.

Gurudas Dasgupta of All India Trade Union Congress told The Indian Express: "We want the interest rate to be 12 per cent. If the Government cannot do that, then it should not be less than 9.5 per cent. We don't want interest rates to be decided by market forces."

Girish Awasthi of the Bharatiya Mazdoor Sangh echoes the 12 per cent demand but admits that even 9.5-per cent interest rate is not sustainable: "It's for the Government to decide the rate...Yeh to sarkar ka kaam hai ki woh rasta nikale.

Varadarajan of the Centre of Indian Trade Unions (CITU) agrees: "Even 9-9.5 per cent interest rate is not sustainable on the present yield. We want EPF rates hiked to 12 per cent and the SDS to give a real rate of interest at 6 per cent, indexed to inflation."

INDIAN EXPRESS

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### CPI threatens stir if UPA breaks rules of the game

Mumbai from

His CPI on Saturday declared that it would launch an agitation against the Congress-led United Progressive Alliance (UPA) if there is a departure from the Common Minimum Programme (CMP). "CPI is supporting UPA from outside and

the party's responsibility is to assure implementation of CMP by the UPA government," CPI general secretary A.B. Bardhan told reporters here.

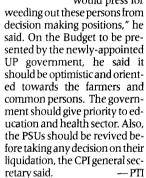
He said: "If there is a departure from CMP then the CPI would launch an agitation against the UPA." When

asked about the protest launched by the Opposition on the induction of tainted ministers, Mr Bardhan said: "As a party we are not happy about tainted ministers in the UPA government but does not justify NDA to raise the issue as they also had such ministers in their Cabinet."

"The home minister in the erstwhile NDA government had been charged for offences by an investigating agency that came under the same ministry," the CPI leader added. Mr Bardhan said the issue of Sonia Gandhi wresting control of the Union government was "absurd" as she was the president of Congress and it was the leading party in the UPA government. Being the chief of the leading party in the government, Ms Gandhi is going to have a larger say in the running

of the government, he said. The statements of the BJP are guided by the RSS, Mr Bardhan added. Mr Bardhan further accused NDA of appointing persons close to them in all the apex bodies during its tenure.







BARDHAN: HARD LINE

Government committed to security of all minorities: Manmohan This is the text of Prime Minister Manmohan Singh's only about freeing private enterprise from the shack-tunities for gainful employment in agriculture and in

address to the nation on Thursday:

My Fellow Citizens,

I speak to you with a deep sense of humility, fully conscious of the sacred responsibility entrusted to me. You have assigned the task of governance of our country to the United Progressive Alliance and its supporting parties. You have delivered your verdict and the verdict is clear. You have sought a change in the manner in which this country is run, a change in national priorities, and a change in the processes and focus of governance. You have, through your mandate, made it clear that economic growth has to be accompanied by equity and social justice. You have expressed concern for the poor and disadvantaged sections of our society and for minorities and backward regions to be at the heart of all policies of the Government.

As I share with you the priorities of our Government, I am reminded of the Father of our nation, Mahatma Gandhi. Gandhiji had said that his mission in life was "to wipe every tear from every eye." "Think of the poorest person you have ever seen." Gandhiji would say, "and ask if your next act will be Reform of government of any use to him." That message of Bapu resonates in our ears as we settle down to the business of government.

The National Common Minimum Programme has been prepared by us keeping in mind the priorities brought into focus by your mandate. The Address of the President of India to Parliament outlines a comprehensive agenda for the nation to which our Government is committed. The country would have benefited if Parliament had been allowed to discuss the President's Address. I was eagerly looking forward to contributions from all parties in this discussion. Unfortunately, this was not allowed to happen. It should be a matter of deep concern for all of us when established mechanisms for a constructive dialogue and critique, which are vital for a parliamentary democracy, are disrupted and not allowed to operate.

Parliament is a forum which is sacred and it must be our collective endeavour to ensure that we maximise its effectiveness. I request parties across the entire political spectrum to respect Parliament as an essential forum for public debate, so that we can move forward on the task of nation-building, which is a common goal for one and all.

### **Equal participation**

We can justly take pride in the fact that since Independence we have been able, with our efforts, to build the foundations of a modern economy and record an acceleration in the rate of economic growth. There have been impressive gains in terms of the educational and health status of the nation. However, the benefits of this performance have not touched all our citizens in equal measure. Growth is not an end in itself. It is a means to generate employment, banish poverty, hunger and homelessness and improve the standard of living of the mass of our people. It must also be environmentally sustainable.

Equity and efficiency are complementary, not contradictory, and we must move forward on both these, while maintaining a high degree of fiscal and financial discipline and a robust external economic profile

To be able to devote our attention and energy to economic development that improves the lives of our people, we must ensure social and political stability, communal harmony and respect for the rule of law. We must put in place policies and programmes which empower all our citizens to lead a life of dignity and self-respect. Our Government is committed to the security and welfare of all minorities, the protection of the interests of the Scheduled Castes and Scheduled Tribes, of backward classes and all weaker sections. Equally, we are committed to the empowerment of women. We will ensure equal participation of all in the processes of governance.

The essence of the National Common Minimum Programme is the recognition that policies that are aimed at promoting economic growth must also advance the cause of distributive justice and create new employment opportunities. Economic reform is not

the government more effective, efficient and people friendly so that it can handle better the many tasks ing this objective. that only governments can perform. And, it is also about ensuring fair and transparent regulation of the many controls and restrictions. There are still far too market where this is necessary. While many in our many internal barriers to trade that must go. We country are benefiting from their integration into the must also re-examine those aspects of our policies market and the global economy, millions of our citi- that prevent a creative interaction between farmers zens are still plagued by illiteracy, disease, want, and agro-industries. I would like to see the creation hunger and malnutrition. Gender disparities are high of a "Single Market" across the country for both and educational, nutritional and health levels of manufactured and agricultural produce with enwomen are much lower than of men. Chronic pover- couragement of agro-industry linkages. With the inty afflicts millions who lack income and food securi- troduction of value-added taxation, this integration . This is particularly acute among the Scheduled of the Indian market will be further enabled. Castes, other backward castes and Scheduled Tribes. At a regional level, too, the disparities are high and while some regions of the country seem to be on an accelerating growth path, there is a concern that other regions are not only lagging but are also falling are now more than 30 cities with a population of behind. Regrettably, minorities suffer from not only economic insecurity, but also a sense of marginalisation from political and governance processes.

As a nation, we cannot accept such disparities. We have been given a mandate, which enjoins us to be sensitive to the concerns of these deprived sections and regions. We have an obligation to ensure that Government, at all levels, at the Centre, in the States and at the level of the community, to address each of these economic and social challenges. However, I with this challenge and meet the aspirations of the tion. This was necessary. Yet, there are many areas, environment. critical areas, that directly affect the quality of life of every citizen, where the Government has a role, and is expected by every citizen to have a role. These tructure for development, the provision of elementary education and public health, providing drinking sections, especially women, as well as those of citywater and sanitation. They also include economic infrastructure, which in our country in large part must be provided by the Government, such as irriga-replenishment and management and rainwater hartion, power, roads and railways. Our people expect their needs. In each of these areas, at every level of non-governmental organisations. The Government governance, the reform of government is today an urgent task before us.

space for individual initiative and enterprise, but ner. even as we do so, we cannot forsake the obligation of running a government that works, and works for the people. The reform of administration and of public institutions to improve efficiency and the quality of delivery services will be our immediate priority.

### Farmers in distress

There has been a neglect of the interests of the farmers in recent years and this is reflected in a significant slowing down in agricultural growth in the past five years. Farmers in many parts of the country have faced distress and there has been no helping hand. The National Common Minimum Programme of the United Progressive Alliance is committed to giving a "New Deal" to rural India. Agriculture must receive the priority attention it deserves. Public and private investment in agriculture has to be greatly increased. A key concern in recent years has been the lack of access to credit. Our Government is already addressing this issue directly by pursuing policies that improve the farmer's access to affordable credit. Agricultural research, training and extension also require much greater attention. I would like to see the ture as we have in technology and management. There has to be a sharper focus on expanding oppor- ities.

les of bureaucratic cont ol. It is also about making off-farm rural activities. Food for work programme, will be priority areas for us. We will do our utmost to sure the well-being of the Iraqi people. efficiently implemented, can greatly assist in achiev-

The Indian farmer has also suffered from too

### Urban woes

has been the rapid increase in urbanisation. There more than one million. The rapid and unplanned growth of these cities has contributed to increased urban pollution, crime, and absence of the required verse Indian Diaspora. We greatly value their particiinfrastructure like access to drinking water, sanitation, roads, footpaths for pedestrians and public spaces, parks and greenery is making life in urban India a living hell for many. Most of the responsibility for this rests with States and Municipal Governcommitment to investments in the social sectors is urban renewal. We will actively seek public-private concern and challenge in the days to come. rooted in this reality. It is the responsibility of the partnership in building urban infrastructure in a planned manner.

Higher rates of economic growth, urbanisation today not adequately equipped and attuned to deal only be met with new investment, increased efficiency and rational pricing. Even as we plan to make people. To be able to do so, we require the reform of more efficient use of conventional sources of energy, government and of public institutions. Much of the we must invest in the development of non-convenfocus of economic reforms in the past decade has tional sources. We will evolve an energy policy packbeen on reducing the role of the government in conage that will cover all sources of energy and will trolling the private sector; controls that hampered address all aspects like energy security, access and entrepreneurial dynamism and often bred corrup- availability, affordability and pricing, efficiency and

Water has emerged as a critical and contentious water remains a problem in many parts of our couninclude the provision of social and physical infraslated as to address the needs of farmers and weaker dwellers. We will have to find innovative, cost-effective and community-based solutions. Groundwater vesting require close cooperation between Governthe Government to be pro-active and sensitive to ment, panchayati rai institutions and will reverse the neglect of public investment in irrigation, addressing the specific problems of each river We will pursue economic reform and widen the basin, in an environment and people-friendly man-

### **Humane healthcare**

We need new thinking in health policy. While the Government will continue to help in the growth of private and community-based health and medical care, there is a crying need for the reform of public health and public hospitals. We will make public hospitals more efficient and accessible, through public-private partnership aimed at offering affordable and humane healthcare. We need communitybased and public health-oriented solutions to tackling communicable diseases, epidemics, especially HIV/AIDS, and disability management and population stabilisation.

People are a nation's greatest resource. Our greatest asset will be an educated and capable workforce. Our Government will work along with State governments to step up public spending on education, to universalise access to elementary education and to improve the quality of our education. We shall make effective use of mid-day meals programme for school children to achieve this objective. I am particularly concerned about the access to schooling and higher and Scheduled Tribes, weaker sections and minor-

provide scholarships to help them acquire the training and skills that can make them self-reliant and developing countries of Latin America and Africa. proud citizens. Our children need modern and relevant education aimed at making them concerned. capable and caring citizens of the Republic.

Our economy has been rapidly integrating with the global economy over the past decade, with a growing sense of self-confidence. However, domestic enterprise needs world class and cost-effective inclusion of many new member-states, with whom infrastructure. Better roads, better connectivity, modern airports and railways, efficient ports and af fordable and reliable power are all the basic requirements for a competitive economy. For centuries, India has been a trading nation, actively engaged in the movement of goods and people across conti-A striking feature of development in our country nents and high seas. We will pursue policies that enable our economy to be better integrated with the world economy without hurting the interests of our people. We will create an environment conducive to the utilisation of the talent pool of the vast and dipation in the development of our nation.

### Foreign policy

No objective in this development agenda can be met if we do not reform the instrument in our hand ments. It will be our effort to give special attention to with which we have to work, namely the government they too benefit from growth in full measure. Our policies that can encourage urban development and and public institutions. Clearly, this will be my main

We will maintain our tradition of an independent foreign policy, built on a national consensus and based on our supreme national interests. We will and the modernisation of agriculture will continue to expand our network of international relationships am convinced that the Government, at every level, is increase the demand for energy. This demand can preserving solidarity with traditional allies and strengthening new partnerships. We will work with like-minded nations for an equitable, multi-polar world order, which takes into account the legitimate aspirations of developing countries.

We desire to live in a neighbourhood of peace and prosperity. We will actively pursue the composite dialogue with Pakistan. We are sincere about discussing and resolving all issues, including Jammu & Kashmir. We recognise that resolution of major issues requires national consensus and accommodaissue across the country. Even access to safe drinking tion of public sentiment in both countries. It is efficient civil-military interface and more effective self-evident that terrorism and violence would cast a harnessing of technology to national security mandark shadow over this process. With our other South Asian neighbours, it will be our sincere effort to jointly realise the vast potential for cooperation and to ensure mutual security, stability and development.

### Ties with China

In our relations with China, we are encouraged by positive developments, which we are committed to strengthening. Bilateral economic cooperation has shown remarkable growth and diversification. We shall carry forward the process of discussion to resolve the boundary question from the political perspective of our bilateral relations.

As two of the world's great democracies, our strengthened relationship with USA is a fact of considerable importance. The transformation of our reexpansion of economic links and people-to-people years. ties, including the presence of almost a million people of Indian origin in that country. We will welcome the expansion of cooperation between the two Governments to include new and mutually beneficial areas, particularly high technology.

The strength and vibrancy of our partnership with Russia has withstood the flux of the post-Cold War world. We will accelerate the diversification of our es relationship, particularly in defence, high technology, space and nuclear energy, while intensifying economic cooperation.

countries of Southeast and West Asia, based on cultural affinities, economic interaction and a vibrant Indian expatriate community. We aim to build upon these. While speaking of West Asia, I must share our deep concern about developments in Iraq and the suffering of the people of that country. It is our earemergence of new centres of excellence in agricul- education of children belonging to Scheduled Castes nest hope that democracy will be restored and full sovereignty transferred to a truly representative Gov- comity of nations. ernment of Iraq. India is committed to participate in

The education of the girl child and female literacy all endeavours aimed at bringing stability and to en-

We will also strengthen our bilateral relations with Similarly, strong ties with the nations of Central Asia are of importance for our international trade, as well as for our strategic and energy security.

We will actively pursue a cooperative relationship with the European Union to expand the political and economic frontiers of collaboration. We welcome the we have a long tradition of cooperation.

### Responsible nuclear power

I wish to place on record the nation's deep sense of gratitude and pride in the gallantry, valour, professionalism and the spirit of self-sacrifice of our armed forces. I assure the nation that we will not be found wanting in providing for our armed forces, or in caring for our ex-servicemen. We will streamline defence acquisition procedures, so that our forces obtain modern weapon systems and technologies. Our government will ensure that the necessary funds are made available for these purposes.

We will maintain a credible minimum nuclear deterrent, along with a policy of 'no first use' in our nuclear doctrine. India is a responsible nuclear power and we will continue to work to prevent proliferation of weapons of mass destruction. At the same time, we remain committed to the goal of universal nuclear disarmament.

Internal security remains an important challenge. Terrorism poses a grave threat to the unity and progress of our nation. We shall combat it with all the resources at our command. There shall be no doubt whatsoever about our resolve to deal with this insidious threat to our nation.

The Government will continue the process of dialogue with the Hurriyat and all other groups in Jammu and Kashmir. The Government is willing to talk with all disaffected groups, provided they shun the path of violence.

We will adopt a comprehensive approach to the problem of national security to create greater synergy between our intelligence agencies, closer coordination between internal security structures, more

### Appeal to citizens

My fellow citizens, I share the feeling of wellmeaning citizens when they express pained concern about the decline of morals and ethics in public life. There is, however, no better way to deal with this incipient threat to our democracy than to meet it head on by joining public life ourselves.

When I chose to enter public life, I did so because I was convinced that our democracy needs more professionals to become more engaged and active in politics.

I, therefore, now appeal to each one of you to also participate in our public life so that governments at all levels - Central, State and local - are all conlations with USA has been supported by the stantly put on notice and not just tested once in five

When I travel across the country I am always heartened by the increasing number of young and idealistic people I meet who work with voluntary organisations, empowering the dispossessed and the disenfranchised. We shall make effective use of the resources of the civil society to improve the quality of governance and delivery of important public servic-

Fellow citizens, I urge you to come forward and take an active role in the nation's public affairs. Each one of you can make a difference. I seek your support We have traditionally strong relations with the to restore to our public life a greater sense of purpose and a renewed commitment to decency, morality and the hard work needed to take our country and every one of our citizens forward. We must re-capture the spirit of idealism and self-sacrifice which characterised the high noon of our freedom struggle. Working together, we shall ensure that this ancient . sacred land of ours regains its rightful place in the

### Merch of the part of the set outstandings up to March 31, 2004, will be

TIMES NEWS NETWORK ( 1/1/

New Delhi: Rushing to the rescue of debt-ridden farmers throughout the country, the UPA government on Friday announced an urgent ing for the budget on July 8. The package of debt relief and en-hanced bank credit without wait-

ment of loans of all small and marpackage includes a one-time settleginal farmers in default. This will

The Reserve Bank of the state o Commercial banks will lend credit this year, up 30% from Rs 57,000 cr, regional rural banks Rs 8,500 cr, co-ops Rs 39,000 cr last fiscal country (1000)
Pradesh) where farmers face acute distress. Banks rural banks (RRBs), the nodal agency for cooperative and regional will relax the prudential norms for this. In addition, commercial cooperatives lenders in some parts of and RKBs will take over loans given by money-Andhra banks, the

indebtedness against "appropriate provide these farmers relief from collateral or group security" have been permitted to

clubbed with the princien years, including the rium. The current rate of interest of 8.5% will be pal and the whole amount will be repayable over sevfirst two years of moratocharged on these loans, taken at 12% or more. No debt write-offs violating \* Kisan Credit Card net will debt for distressed farmers will be restructured but not conduct risk assessments be widened, agricultural written off; banks free to

All farmers everywhere, who are in arrears and thus not eligible for fresh be provided its own scheme for resched credit, will Package will make farm

prudential norms of RBI

debt rescheduling. Each commercial bank will have loans viable for banks

All classes of farmers in calami- and RRBs will be governed by ty-hit districts will be given debt Nabard guidelines for this purpose. relief by loan restructuring. Inter-

involve a waiver in major part, if not total write-off. They will also be made eligible for fresh bank Rejigging farm loans not to hit banks VAT to start from April 1, 2005 After oil, govt may bite fertiliser bullet

THE TIMES OF MACHA 19 161

### Sonia to skipper national advisory panel on CMP

G. Ganapathy Subramaniam

NEW DELHI 17 JUNE

HE government is setting up a high-profile secretariat to facilitate and oversee the implementation of the common minimum programme (CMP) — the policy bible of the United Progressive Alliance (UPA) government. More than four dozen rooms on two floors of Vigyan Bhavan are being readied to house the national advisory council on CMP, which will be headed by

Congress chief Sonia Gandhi.
A senior officer in the rank of a secretary to the government will be appointed to assist the council's chairperson, sources said. As the head of the council, Ms Gandhi will enjoy the rank of a Cabinet minister.

The council will have 20 members and a large number of names are under consideration for appointment. The Prime Minister's Office (PMO) will provide logistics support to the high-profile council. Two officers in the rank of joint secretary and two officers in the rank of deputy secretary will be provided for the council's secretariat, along with supporting staff and infrastructure. The expenses of the secretariat will be borne out of the PMO's

10 JUN 2000

Vigyan Bhavan was selected as the location for the CMP advisory council's secretariat after considering various locations, sources said. Representatives of the urban development department, SPG and the Intelligence Bureau (IB) visited the selected location before giving their clearance. The Cabinet secretariat issued a formal order for setting up the council's secretariat at Vigyan Bhavan, after these clearances were provided. The Bhavan already houses a number of organisations, including the commissions looking into issues like Tehelka and the Ayodhya dispute.

issues like Tehelka and the Ayodhya dispute. It is understood that the CMP advisory council will meet at least once every quarter to take stock of the implementation programmes mentioned in the policy document. The secretaries of the various departments dealing with these programmes may also have to brief the council on the progress of implementation. Since Ms Gandhi is heading the council, officials feel it may well develop into a separate power centre, especially because the PMO is keeping a low profile in the UPA government. Similar fears were expressed about the party emerging as a power centre after Ms Gandhii decided to decline the

budgetary allocation. Decisions on the infrastructure for the council's secretariat were taken after discussions by a panel of secretary-level officers headed by former Cabinet secretary. Kamal Pande. Representatives from various departments, including expenditure and programme implementation, were present at the meeting.

The Economic Times

### ৰূ ২০ টাকা, কে

অন্যদিকে ভেবেছে জনগণের কথা। তেল শিল্প যেন দুর্বল না হয়, আবার জনগণের বোঝা যেন দুর্বহ না হয়। মণিশঙ্কর বলেন, তেল তহবিলের

কলকাতায় পেট্ৰল ৩৮ ৬৯ টাকা ● ডিজেল ২৫.০৩ টাকা • গাসে ২৮৬.৬৮ টাকা

কেন্দ্রীয় সরকার। লিটার পিছু পেট্রলের দাম বাড়ল ২ টাকা, ডিজেলের ১ টাকা। গ্যাসের সিলিন্ডার পিছু ২০ টাকা। আজ রাত থেকে কলকাতায় পেট্রলের দাম হচ্ছে ৩৮.৬৯ টাকা, ডিজেল ২৫.০৩ টাকা এবং রানার গ্যাস ২৮৬.৬৮ টাকা। বিশ্ব বাজারে তেলের দাম বৃদ্ধি দেশে দেলের দাম বাড়ানো অনেক আণ্ডেই অনিবার্য করে তুলেছিল। বাজপেয়ী সরকার বারবার বাড়ানোর কথা ভেবেও পিছিয়ে গেছে জনপ্রিয়তা হারানোর ভয়ে। গত বাজেটে দাম বাডিয়েও সিদ্ধান্ত প্রত্যাহার করে নেয়। ভোটের আগে কেন্দ্রীয় সরকারের সূত্রেই ইঙ্গিত ছিল, তেলের দাম লিটার পিছু বাজপেয়ী সরকার গত ৬ মাস পেট্রল, ডিজেনের দাম বাড়ায়নি, গ্যাসের

– মোর্চার সব

বাড়তে পারে ৫ থেকে ৬ টাকা। এন ডি এ ক্ষমতায় ফিরলে হয়ত সেরকমই হত। কিন্তু কংগ্রেস নেতৃত্বাধীন সংযুক্ত প্রগতিশীল মোর্চা সরকার জোটের শরিকদের মধ্যে আলোচনার ভিত্তিতে দাম নির্ধারণের সিদ্ধান্ত নেয়। পেট্রোলিয়াম মন্ত্রী মণিশঙ্কর আয়ার শরিক দলগুলির সঙ্গে কয়েক দিন ধরে পরপর বৈঠক করেন। সমর্থনকারী প্রধান শ্রেরিক বামপন্থীদের তরফে সরকারকে বলা হয়, সাধারণ মানুষের কথা ভেবে দাম যেটুকু না বাড়ালে নয় সেটুকু বাডান। আপত্তি ছিল অন্য দলেরও। মণিশঙ্কর আয়ার ধারাবাহিক আলোচনার মাধামে শেষ পর্যস্ত সহমতে পৌঁছতে সমর্থন হন। মণিশঙ্কর আয়ার সাংবাদিক বৈঠকে জানান, তেল তহবিলে ঘাটতি কমাতে পেট্রলে ৩.৬৭-৪.৯১ টাকা বাডানোর প্রস্তাব ছিল। বেডেছে মাত্র ২ টাকা। ডিজেলের ক্ষেত্রে প্রস্তাব ছিল ১.৬৭-২.৩৫ টাকা বাড়ানোর। বেড়েছে মাত্র ১ টাকা। রান্নার গ্যাসে সিলিভারপিছু ১৩৩ টাকা বাডানোর প্রস্তাব ছিল। বাডানো হয়েছে মাত্র ২০ টাকা। প্রস্তাব দিয়েছিল তেল কোম্পানিগুলি। নতুন দাম নির্ধারণের ক্ষেত্রে সরকার একদিকে তেল শিল্পের কথা ভেবেছে,

**থ্যাজকালের প্রতিবেদন**: দিল্লি ও

শরিকের সহমতের ভিত্তিতে পেট্রল,

ডিজেল ও রান্নার গ্যামের দাম বাডাল

কলকাতা, ১৫ জুন-

ঘাটতির একাংশ বহন করবে সরকার, অন্য অংশ তেল শিল্প। বাকি অংশ বহন করতে হবে জনগণকে। সেটা যত কম হয় সেদিকে লক্ষ্য রেখেই দাম নির্ধারণ। সংস্কারের মানবিক মুখের অঙ্গিকার আমরা ভূলিনি। ঘাটতির আংশিক দায় বহনে সরকার পেট্রল, ডিজেল ও গ্যাসে উৎপাদন শুল্ক হ্রাস করেছে। পেট্রলে ৪ শতাংশ, ডিজেলে ৩ শতাংশ এবং এল পি জি-তে ৮ শতাংশ। মণিশঙ্কর বলেন, কেরোসিনের দাম ৪.৪৩ টাকা বাড়ানোর প্রস্তাব ছিল। বাড়ানো হয়নি। গরিব মানুষের কথা মাথায় রেখে।

> দাম বাড়ায়নি ২ বছর। এই সময়ে তেল তহবিলে ঘাটতির অঙ্ক যথেষ্ট বেড়েছে। এদিকে, দাম বাড়ল কয়লারও। কোল ইন্ডিয়া লিমিটেডেব চেয়ারমানে জানিয়েছেন, সব মানের কয়লার দাম বাড়ছে গড়ে ১৬.৭ শতাংশ। এর ফলে কোক কোলের দাম বেডে হবে টন পিছু ৮৫০ টাকা। শশীকুমার জানান, আগস্ট ২০০২ থেকে জুন ২০০৪ পর্যন্ত আন্তর্জাতিক বাজারে কয়লার দাম বেড়েছে প্রায় ১০০ শতাংশ। গত ২ বছরে দেশের বাজারে কয়লার দাম বাড়ানো হয়নি। কিন্তু এরপর দাম না বাডালে রাজম্বের ক্ষতি হত। শশীকুমার হিসেব দিয়ে জানান, গড়ে ১৬.৭ শতাংশ দাম বৃদ্ধির ফলে কোল ইন্ডিয়ার অতিরিক্ত আয় হবে ১.৫০ কোটি। শশীকুমার আরও বলেন, কয়লার দাম বৃদ্ধির ফলে বিদ্যুতের দাম বাড়বে ইউনিট পিছু ৬ পয়সা। ইস্পাতের দাম বেড়ে টন পিছু ৫০০ টাকা হতে পারে। এদিকে, বি জে পি তেলের দাম বৃদ্ধির তীব্র প্রতিবাদ জানিয়েছে। বলেছে, 'জনগণের সরকার' জনগণের ওপর দুর্বহ বোঝা চাপিয়ে দিয়ে প্রমাণ করল এরা জনগণকে খতম করতে

> > এরপর ৫ পাতায়

আজকালের প্রতিবেদন: দিল্লি, ১৫ জন নতুন ইউ পি এ সরকার তাদের প্রথম কেন্দ্রীয় বাজেট পেশ করবে ৮ জুলাই। অর্থমন্ত্রী চিদম্বরম ওইদিন সকাল এগারোটায় লোকসভায় বাজেট পেশ করবেন। রেলমন্ত্রী লালপ্রসাদ যাদব বেল বাজেট পেশ করবেন ৬ জলাই। আর ক্ষমতাসীন সরকার দেশের অর্থনৈতিক অবস্থার কথা জানাতে অর্থনৈতিক সমীক্ষাপত্র (ইকনমিক সার্ভে) ৭ জলাই লোকসভায় প্রকাশ করবে। সংসদের বাজেট অধিবেশন শুরু হবে ৪ জুলাই থেকে। আজ কেন্দ্রীয় মন্ত্রিসভার তৃতীয় বৈঠকে বাজেট অধিবেশনের দিনক্ষণ ঠিক হয়েছে। সাধারণত ফেব্রুয়ারি মাসের শেষ থেকে বাজেট অধিবেশন শুরু হয়। কিন্তু এবার সাধারণ নির্বাচন থাকার দরুন বাজেট অধিবেশন এবং বর্ষাকালীন অধিবেশন একসঙ্গে হচ্ছে। বাজেট এরপর ৫ পাতায়

PTO

jun /

AAW

### 🔊 📉 এল্প বাড়ল পেট্রল-ডিজেল

১ পাতার পর এসেছে।এখন চাষের মরশুম এসময় তেলের দাম বাড়িয়ে কৃষকদের ভয়ঙ্কর সংকটের মুখে ফেলল সরকার। দলের ্রমুখপাত্র মুখতার আবাস নাকভি বলেন, সংযুক্ত প্রগতিশীল মোর্চা সরকার বাজেটের ঠিক আগে তেল ও গ্যাসের দাম বাড়াল। এটা লজ্জাজনক। এটাই এই সরকারের নীতি সম্পর্কে সন্দেহ তৈরি করে। জনবিরোধী ও কৃষকবিরোধী এই সিদ্ধান্ত না বদলালে বি জে পি রাস্তায় নামবে। তাঁর বক্তব্য, প্রথম সরকারি সিদ্ধান্তেই পেট্রোলজাত পণ্যের দাম বাড়িয়ে এই সরকার দেখাল তারা কতটা মানুষের প্রতিনিধিত্ব করছে। এই দাম বাড়ানোটা কোনও কাজের কথাই নয়। সি পি এমের রাজ্য সম্পাদক অনিল বিশ্বাস জানিয়েছেন, পেট্রল-ডিজেলের যে দাম বৃদ্ধি হয়েছে তা ন্যুনতম। বি জে পি সরকার থাকলে অনেক বেশি দাম বাডানো হত। বি জে পি আগেই বলেছিল ভোটের পর দাম বাডবে। রাম নায়েক এ ব্যাপারে ঠিক করে রেখেছিলেন। তিনি বলেন, আন্তর্জাতিক বাজারে যে হারে পেট্রল-ডিজেলের মূল্য বৃদ্ধি হয়েছে, সেই তুলনায় এই বৃদ্ধি ন্যুনতম। রান্নার গ্যাসের দাম বাড়া নিয়ে অনিল বিশ্বাস জানান, খবই কম দাম বেড়েছে। গত ১ বছরে রান্নার গ্যাসের দাম প্রায় বাড়েইনি।এই মূল্যবৃদ্ধি পুনর্বিবেচনার জন্য আমরা কেন্দ্রীয় সরকারের কাছে অনুরোধ করব। রাজ্যের পরিবহণমন্ত্রী সুভাষ চক্রবর্তীও জানিয়েছেন, কংগ্রেস-জোট সরকার ক্ষমতায় না এলে দাম আরও বাড়ত। বাসভাড়া বৃদ্ধি নিয়ে তিনি জানান, এ ব্যাপারে একজনের কমিটি রয়েছে। সচিব বাইরে আছেন। তিনি এলেই এ বিষয়ে কথা হবে। আর এস পি-র ক্ষিতি গোস্বামীও বলেন, যা দাম বেড়েছে, তা সামান্য। তবে ডিজেলের দাম না বাড়ালেই ভাল হত। তিনি জানান, এই সরকার যে মানুষের স্বার্থ দেখছে, তা প্রমাণিত হল। ওপেকের সঙ্গে কেন্দ্রের নিশ্চয়ই চুক্তি হয়েছে। তার ভিত্তিতেই এই দাম বাড়ানো হল। এদিন পেট্রল-ডিজেলের দাম বৃদ্ধি নিয়ে প্রতিক্রিয়া জানিয়েছেন তৃণমূল নেত্রী মমতা ব্যানার্জি। তাঁর বক্তব্য, ভোটের আগে সি পি এম, কংগ্রেস পেট্রল-ডিজেলের দাম বৃদ্ধি না করার প্রতিশ্রুতি দিয়েছিল। অথচ ক্ষমতায় এসেই বাডাল। সবথেকে অস্বিধা হবে গরিব মানুষের। এসব মেনে নেওয়া যায় না। মমতা এদিন কয়লার দাম বৃদ্ধি নিয়ে বলেন, আমার মন্ত্রিত্বের সময় আমি দাম বাড়াইনি।তেলের দাম বৃদ্ধির সঙ্গে সঙ্গে বাড়ছে বিমান ভাডা। ইন্ডিয়ান এয়ারলাইন্স ও এয়ার ইন্ডিয়ার ১০ শতাংশ ভাড়া বাড়ানোর প্রস্তাব অনুমোদন করেছেন অসামরিক পরিবহণ মন্ত্রী প্রফুল্ল প্যাটেল। এয়ার সাহারা ও এয়ার ডেকান আগামীকাল বর্ধিত ভাড়া ঘোষণা করবে। বি জে পি আজ এই সিদ্ধান্তের কড়া সমালোচনা করেছে। দলের বক্তব্য, এই মূল্যবৃদ্ধি গরিব ও মধ্যবিত্তকেই আঘাত করবে। এ ব্যাপারে দলের কর্মসূচি ঠিক করতে জাতীয় কর্মসমিতির আসন্ন বৈঠকে আলোচনা হবে বলে ঠিক হয়েছে। বি জে পি সংসদীয় দলের উপনেতা বিজয়কুমার মালহোত্রা বলেছেন, সব জিনিসেরই দাম বাড়তে পারে এই সিদ্ধান্তের ফলে। মানুষের কাছে এ ব্যাপারে সরকারকে জবাবদিহি করতেই হবে। সংযুক্ত জনতা দলের পক্ষ থেকে এই মূল্যবৃদ্ধির বিরোধিতা করা হয়েছে। প্রাক্তন পেট্রোলিয়াম মন্ত্রী রাম নাইক আজ বলেছেন, গ্যাসের দাম বাড়ানো আসলে গৃহস্থদের ওপরে চাপ তৈরি করবে। আমাদের আমলে আমরা দাম বাড়াতে দিইনি। পেট্রোলজাত পণ্যের দাম বাড়িয়ে নতুন জোট সরকার মানুষকে আশাহত করল। সি পি এমের পলিটব্যুরো সদস্য এম কে পান্ধে এবং সি পি আই সম্পাদক ডি রাজা গ্যাসের মূল্যবৃদ্ধির বিষয়টি সরকারকে আরেকবার খতিয়ে দেখতে অনুরোধ করেছেন। তবে, কেরোসিনের দাম অপরিবর্তিত থাকায় তাঁরা সম্ভোষ প্রকাশ করেন। অ্যাসোকেমের পক্ষ থেকে এই মূল্যবৃদ্ধিকে স্বাগত জানানো হয়েছে।

1 8 Jun 2004

### By Sushma Ramachandran Onlion Finance Minister, P. Chi- the Communist Party of India, Sources say that most coali- su dambaram, and the Petroleum the Information Technology, tion partners were initially not the community of the partners were not the community of the community of the partners were not the community of the

world markets. markets may be en.
that the kerosene prices may be en.
Subsequently, he met the gressive Alliance (UPA) over the meeting, Mr. Aiyar said that need for an across-the-board "further work" on the figures for "moderate" hike in the prices of the new oil pricing formula had raised by about 30 paise a litre, Subsequently, he met the cooking gas by about Rs. 25 a UPA leaders including Sitaram cylinder, diesel by Re.1 a litre Yechury of the Communist Parand petrol by Rs. 2 a litre. ty of India (Marxist), D. Raja of the soaring price of crude oil in more consultations were need-world markets. Indications are ed before any decision was takpetroleum products owing to to be carried out. He said that NEW DELHI, JUNE 14. Political consensus seems to have been achieved within the United Pro-

The Finance and Petroleum Ministries are working on a new oil pricing mechanism which will include restructuring of the ucts, extension of the phase-out period for the subsidy on keroion of a price band system for excise and import duties on crude oil and petroleum prodsene and cooking gas, introducfuture price increases and setting up of a price stabilisation

These issues were discussed here today at a meeting the

Minister, Dayanidhi Maran, of the Rashtriya Janata Dal. He also had a telephone conversation with the Steel and Party. He did not apparently talk to the Revolutionary Socialist Party which is opposed to Chemicals Minister, Ram Vilas Paswan, of the Lok Janshakti any increase in the prices of diedambaram, and the Petroleum Minister, Mani Shankar Aiyar, had with the Prime Minister, Manmohan Singh. After the

sel or kerosene.

nies clamouring for a price hike in the region of Rs. 3 to Rs. 4 a Sources say that most coali- surge in world oil markets. litre for diesel and petrol. tion partners were initially not in favour of the price hike, but oil pricing formula should be a transparent mechanism. It was suggested that the public be informed of the need for a price hike right now, including the the Dravida Munnetra Kazha- conceded that it could not be avoided. They, therefore, ungam and the Company Affairs avoided. They, therefore, un-Minister, Prem Chand Gupta, of derlined the need to ensure that on consumers and that the new ment had artificially kept prices down since January despite the a heavy burden was not placed fact that the previous Govern-

pact on the fiscal deficit. The the extent of price increase is row at a Cabinet meeting. The imised as it has to worry about cerned about the erosion in the Petroleum Ministry is conprofitability of the oil compa-The final package along with expected to be approved tomor-Finance Ministry is trying to ensure that duty cuts are minthe revenue inflows and the im-

### The UPA and the Cauvery dispute JA, OH

By Ramaswamy R. Iyer

What is needed is an agreement on a sharing

formula for distress years. Whatever the flows,

they must be shared and shared fairly.

THE CAUVERY dispute is in the news again. An all-party team of MPs from Tamil Nadu has requested the intervention of Prime Minister Manmohan Singh in ensuring releases of Cauvery waters to the State. The Prime Minister is reported to have promised to look into the matter with fairness to both sides. He also appears to have made a reference to the sharing of distress. A Central team has visited the States in this connection. It may be useful to put matters in proper perspective at this

At the outset, it must be noted that the Cauvery River Authority (CRA) presided over by the Prime Minister is not a body charged with the resolution of the Cauvery dispute or with basin-planning or management functions in relation to the river. It is a body set up as a part of a Scheme for implementing the Cauvery Tribunal's Interim Order (IO), and its (the CRA's) role "shall be to give effect to the implementation of the interim order dated 25th June 1991 of the Tribunal and all its related subsequent orders" (Ministry of Water Resources Notification dated August 11, 1998).

It is therefore a temporary body of limited significance. The main dispute over the sharing of Cauvery waters by Kerala, Karnataka, Tamil Nadu and Pondicherry is still before the Tribunal. The Tribunal is in the final stages of its work, and may be expected to give its final Award fairly soon. Once that happens, the IO will cease to operate and the CRA will cease to exist unless it is established afresh with a new mandate. However, for the present, so long as the IO is in force, the CRA has the important function of ensuring its smooth working. The prospects of an early meeting and the Prime Minister's promise of earnest attention are very welcome.

The most important, indeed the only, issue in this context is the sharflows in the river. When the rains are normal and the flows are good, the operation of the IO presents no problems, but when the rains fail and the flows are low a distress situation arises, and the sharing runs into serious difficulties. The IO provides no formula for sharing under those circumstances. That is a weakness in the IO, and the cause of all the trouble in recent years

among the four parties to the dispute depending on various factors. (All

on a sharing formula for distress these are purely hypothetical figures years. Two kinds of possible responses must be firmly ruled out: one is an insistence by Tamil Nadu that regardless of low flows 205 TMC must be released by Karnataka in accordance with the schedule laid down in the IO, and the other is a refusal on the part of Karnataka to release any waters on the ground that there is not enough water for its own needs. Whatever the flows, they must be shared and shared fairly. If the

Governments of Tamil Nadu and Karnataka (as the two principal contending parties) are unable to reach an agreement on a distress-sharing formula, it is the duty of the CRA with the assistance of the official-level Monitoring Committee to work out a formula.

In this context reference may be made to a non-official initiative undertaken by the Madras Institute of Development Studies to bring the farmers of the contending States together to promote understanding and find a way out of the impasse. A few meetings have been held and the goodwill and constructive spirit displayed in these meetings have been remarkable and encouraging. The Central and State Governments must take note of this initiative, be supportive of it, and give due consideration to any approach to

distress-sharing that emerges from it. Turning to the main water-sharing dispute, it is not a particularly difficult one to resolve if it is shorn of politics and looked at dispassionately. Without trying to anticipate the Final Award of the Tribunal, let us look at the basics. The availability of flows in the Cauvery was determined by the Central Fact Finding Committee in the 1970s as 671 TMC feet. Pering of waters in a situation of low haps that figure needs to be re-determined, but let us assume for the moment that the availability has not significantly changed. After earmarking reasonable allocations for Kerala and Karaikal, some 600 to 620 TMC feet may have to be shared by Karnataka and Tamil Nadu.

The possibilities of allocation are not infinite; the range of possible sharing is fairly limited: 320:300 or 380:240 or 400:220 or 415:205 or What is needed is an agreement 420:200 or some such distribution,

for illustrative purposes, and not proposals offered for consideration.) Looked at this way, the problem does not seem insuperable. Whatever allocation is agreed upon or adjudicated may seem inadequate to both States, but they will have to manage their needs within the allocated quantities. This should not be unduly difficult. What has made the dispute so intractable is the fact that the issue has become enmeshed in electoral party politics in both States, making mutual accommodation and adjustment very difficult. Further, the Cauvery is a fabled river with strong historical, cultural and religious associations in both Tamil Nadu and Karnataka. A dispute regarding such a river tends to arouse strong emotions that make rationality difficult.

Turning to legal principles, Tamil Nadu, in an attempt to protect its established water-use and the related way of life, tends to rely on the principle of prior appropriation or prescriptive rights. This is questioned by Karnataka, which tends to assert its right as the upper riparian to use the Cauvery waters as it sees fit, with the residue going to Tamil Nadu. In effect. Karnataka invokes the Harmon doctrine, though it does not explicitly say so. Neither the Harmon Doctrine nor the principle of prescriptive rights or prior appropriations commands general international acceptance. What has come to prevail is the principle of equitable sharing for beneficial use. There are several criteria to be applied for arriving at an equitable sharing in any given case. What is relevant in each case and how much weightage should be given to each factor are matters for negotiation or adjudication. Established uses do not give a veto power to the lower riparian over upstream development. On the other hand, the upper riparian's right to use the waters flowing through its territory has to be exercised in such a manner as not to cause 'substantial damage' to the lower riparian (in the language of the old Helsinki Rules) or 'significant harm' (in the language of

the U.N. Convention of 1997). However, principles in the abstract cannot automatically determine the allocation. A constructive

practical approach and a spirit of give-and-take are called for.

It must be noted that in Indian or international law, there is no ownership right over flowing waters. Neither Karnataka nor Tamil Nadu (nor Kerala nor Pondicherry) owns the Cauvery. They all have use-rights. There is no hierarchy of rights; neither the upper riparian nor the lower riparian has primacy. There is an equality of rights, but of course not an entitlement to equal shares. How much each State is entitled to is a matter for agreement or adjudication with reference to the considerations mentioned earlier.

What is the way out of the present impasse? First, and ideally, the four State Governments can hold talks and explore the possibility of an agreed settlement of the dispute. The CRA's mandate may be limited, but it is not precluded from facilitating or providing a forum for such an exercise. Further, the Governments can and must facilitate the non-official farmers' initiative mentioned earlier, and take note of the outcome of that initiative. If, as a result of such efforts, an agreed solution to the Cauvery dispute emerges, it can be placed before the Tribunal for consideration for incorporation in its Award.

Meanwhile, however, the adjudication process must go on without delay, so that if an agreed solution does not emerge, there is at least an Award by the Tribunal. It is a constitutionally mandated conflict-resolution process that has been in progress for 13 years. There is no reason to believe that the Tribunal's Final Order, when received, will be a bad one. The Tribunal must have taken note of all the criticisms that have been directed against the Interim Order, and will surely take care to see that the Final Order is not open to similar criticism.

The Final Order is also very likely to include a formula for water-sharing in low-flow situations. If the Final Order gives rise to doubts or dissatisfactions on either side, the provisions in the Act for a further reference to the Tribunal for clarifications or a supplementary report can be availed of. One hopes, therefore, that the Final Order, when it becomes available, will be received without prejudices or preconceptions and in a constructive spirit in all four States.

(The writer is a former Secretary, Water Resources, Government of

# Sonia enjoys Cabinet rank, not file access

the "body that would implement the common minimum programme of the government" has every right to call for "reports" from different ministries.

However, a senior Congress leader and MP told The and official documents that are not supposed to be passed on to anyone other than members of the Union Council of Statesman that at the moment it is difficult to determine what constitutes "official reports"

Although no government file or document has been sent

Progressive Alliance, which is

thing to the effect that Mrs of Gandhi could call for official a files. to 10, Janpath since the new government assumed office on 22 May, Mrs Gandhi has taken interest in some matters related to certain ministries like home and defence.

According to well placed sought by Mrs Gandhi was sources, some information provided to her by ministry officials.

June — said that Mrs Gandhi

call for reports of different departments under different As the Congress president

> the chairman of the Rajya Sabha. Mr Bhairon Singh Shekhawat, on 10 June — the After initially shooting his mouth off, the law minister, Mr H R Bhardwaj, later told last working day of Parliament

Mrs Gandhi off and on speaks

and chairperson of the UPA

ministrics.

ocen meeting her frequently. It

is difficult to establish if Mrs the Central ministers, sources Gandhi would be denied access to any information that she wants to get from any of

Congress

But the

Anand

Mr

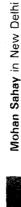
spokesman,

This is not the first time that ing for any official document Mrs Gandhi holds the status of a Cabinet minister. Earlier also, when she was leader of the Opposition during the NDA government Mrs Gandhi had the same rank. But she did not enjoy the privilege of callor report. The same applies to Mr L K Advani, the leader of the Opposition in the Lok Sharma, a day earlier — on 9 being the chairperson of the UPA was within her right to to Central ministers who have

Sabha, enjoying the status of a Advani has no right to call for reports or files of the govern-Cabinet minister. But M1

had accorded Cabinet rank was heading the Disaster Management Committee set The Vajpayee government status to Mr Sharad Pawar who

up by the government. He too did not enjoy the Planning Commission is equivalent to the rank of a Cabinet post of deputy chairman of the minister but no more than right to call for reports. T



she is not at par with members holds the rank of a Cabinet minister to the government of files or documents that are classified. Like others holding the rank of a Cabinet minister, of the Union Council of the Congress which insists that Mrs Gandhi being the chair-person of the ruling United June 13. — Mrs Sonia Gandhi India but does not have any special right to peruse official This, however, is rejected by Ministers.

FILE PROFILE

THE STATESN

# Jatwar calms comrade, not friend

Washington, June 12: Pinned down by the flak in India created by his promise to the Americans to review India's policy on Iraq, external affairs minister Natwar Singh spoke to CPM general secretary "Comrade" Harkfied that there was no question of sending Indian ishen Singh Surjeet on telephone from Washington, and shortly thereafter clari-

arise," he told Indian reporters "The question of sending Indian troops to Iraq does not nere at a news conference hastitroops to Iraq

payee government's decision not to send troops to Iraq.

After Singh's statement here glimmer of hope that Indian dent George W. Bush's adviser on Iraq in the National Security ing with the external affairs Thursday sending out a troops may, after all, head for lraq, Robert Blackwill, Presi Council, quickly sought a meet minister. on

armed with detailed reports and charts, went to the hotel where the minister is staying and had a working breakfast with him. At that meeting, Blackwill liberally used his charm on Singh, whom Blackwill This morning,

Singh attempted to give a spin to

At his news conference, which was dominated by Iraq, his Thursday statement in the

hope that it would help him get out of the hot water he is in with

in the ruling alliance

parties

olution on Iraq and not about sending Indian troops there. ment was about the recently passed UN Security Council res-He said his Thursday statehe has known very well during dant was US ambassador in New It was a moment of extreme the years that the Bush conficials here and those from South embarrassment for Indian offi

dian troops to Iraq and I had a role in drafting the unanimous resolution in Parliament on "The UN resolution is a comwas an opponent of sending Inplicated and delicate issue. What said was about that resolution. I Irad.'

> cating to the Americans for several months now that the issue of

Block accompanying the minister, all of whom have been indiIndian troops in Iraq was as good

as closed

He said the "government's position on this issue is based on national consensus, reflected in our parliamentary resolution" ing coalition that "all decisions and assured partners in the rul-

will be taken by the governmen

Iraqi people, leading to stability India, he said, welcomed the adoption of the UN Security Council resolution "as a first step to restoring sovereignty to the and reconstruction" and promised aid to the people of Iraq.

ice for Ronald Reagan, the Democratic presidential candidate up to Singh and engaged him in conversation after aides pointed Yesterday, at the funeral serv-John Kerry and his wife walked out the minister to Kerry.

Iy rescheduled so that the closed with the Atal Bihari Vajnewspapers could catch his Singh seemed surprised by rade Surjeet and sent him the text of what I said." Sunday editions of Indian the controversy which his remarks had created and told re porters: "I have spoken to Comclarification. K.P. NAYAR

the minister's clarification may But the problem for the Man mohan Singh government is that not bring the controversy

ed opening on an issue vital to the very survival of the Bush ad-The Americans have seized on what they see as an unexpect ministration, but had appeared an end.

close review" which have strong views on Iraq.

in close consultation with all United Progressive Alliance (UPA) members...We will keep the developments in Iraq under

TELEGRAPH 3

#### Damage in words after long silence

# Natwar a step too far on Iraq

K.P. NAYAR

Washington, June 11: On his first major foray abroad as India's new external affairs minister, K. Natwar Singh put his foot into his mouth during the only official engagement he had here yesterday.

To the great surprise of Bush administration officials and to the utter bewilderment of Indian officials accompanying him, Singh told reporters after meeting US secretary of state Colin Powell that although "there is a resolution of the last (Indian) Parliament, in which we had given our opinion that we were against sending troops to Iraq, now the situation is changed".

If the minister's suggestion that the new Congress-led regime in Delhi would review the previous government's decision to stay out of Iraq was music to the ears of Powell and other officials here, they did not show it.

Because, according to sources privy to the Powell-Singh meeting, the Americans had already been left somewhat bewildered by the encounter by the time it was over.

Before Singh met Powell, the Indian embassy here had forwarded to the state department—on the external affairs minister's express orders—a long biodata of his.

It described his many quali-





Singh and Powell: Nothing to smile about

ties and qualifications. Among those was this: Singh was prone to "good conversation followed by prolonged periods of reflective silence".

On the controversial issue of India's role in Iraq, it was precisely this quality in the minister that played up, according to the consensus here.

When Singh was asked about the new government's position, he first said what everyone here, including Indian officials, had expected him to say. "We have been following events in Iraq with very great interest. And we are delighted that the US and the UK tabled a resolution in the Security Council which has been unanimous (sic) adopted. That is a welcomed (sic) step and we have always been in favour of the UN being involved in a central responsibility along with their friends and other members of the Security Council.

"With regard to the question you asked about the Indian troops, nobody has asked us. We will look at the resolution very minutely. We are not in the Security Council. And we will take a decision when the time comes."

Singh then reflected in silence and interrupted Powell who was answering a question from an American reporter on an altogether different subject.

"Just one second," interjected the minister. "If I might just go back on the resolution on Iraq.... There is a resolution of the last Parliament on this issue in which we had given our opinion that we were against sending troops to Iraq. Now the situation is changed. There is a resolution unanimously passed in United Nations and there are Arab members in it. We will look at it very carefully."

He, however, qualified that statement by saying that "we are a coalition government, so the matter will have to be discussed by the government and by the cabinet committee on security".

■ See Page 8

THE TELEGRACH

12 JUN 2001

# NDA govt delayed air strike: Pranab

New Delhi, June 9

day obliquely held the previous government responsible for delaythe employment of air power from May 8, 1999, the Cabinet Commit-tee on Security gave approval for ing a decision on the use of air THE GOVERNMENT on Wednessaid "despite the Army asking for power during the Kargil conflict. It

ber of casualties was 35. From May 26 to the end of the Kargil

that during the 18-day period, the then Chief of Air Staff "was of Reacting to a report published Mukherjee said in a statement the view that air power at those in HT, defence minister Pranab heights couldn't be properly utinerable and there would be (the) danger of escalation of the conflict. His view was that before committing air power, political lised as helicopters would be vulthe same on May 25, 1999"

However, Mukherjee said the "time taken" by the political establishment to "give clearance to son for higher casualties". He said: "I've been told that between May 8 and May 25, 1999, the numdeploy air power was not the rea-

hind the decision "not to use this (air strikes) option". Mukherjee manding the resignation of "tainted" ministers. operations on July 26, 1999, the Mukherjee agreed that it was sition of disadvantage". He also said it was the fear of "escalation" of the conflict that was bein the House because the Oppoa "difficult war fought from a po could not read out the statement number of casualties was 439."

KARGIL CONFLICT: KEY QUESTIONS Was it right for the Army to have prepared a half-baked report that did not have the versions of other Services?

without checking with MoD? make remarks like "delay in Was it operationally prudent grant of political clearance" judgments on the govt and for the Army to ask for Can the Army pass

attack 'copters in Kargil, which have constraints of operating at very high

done better during the initial days of the Kargil war? Despite nearly three Could the Air Force have



caution, the IAF lost three weeks of preparation and machines, including one Mi-17 helicopter.

choppers were shot down in operation when a very large Was it right to have used Mi-17s during the Karqil number of the (Soviet) Afghanistan earlier? 

**সংশোধনী উদ্যোগ** 

ংযুক্ত প্রগতিশীল জোটের অভিন্ন ন্যুনতম কর্মসূচিতে এবং তাহার পর সংসদে প্রদত্ত রাষ্ট্রপতির ভাষণে কেন্দ্রীয় সরকারের আর্থিক নীতির রূপরেখাটি পেশ করা হইয়াছে। এই নীতি আর্থিক সংস্কারের পথে কতটা অগ্রবর্তী হইবে তাহা লইয়া স্বভাবতই বিস্তর সং**শ**য় ছিল। সংস্কারের অনেক দিক রহিয়াছে। একটি প্রাথমিক প্রশ্ন, কংগ্রেস পরিচালিত সংযক্ত প্রগতিশীল মোর্চার সরকার উদারনৈতিক আর্থিক সংস্কারের পথ পরিহার করিয়া পুনরায় নিয়ন্ত্রিত অর্থনীতির চেনা রাস্তায় হাঁটিবে কি না। অভিন্ন কর্মসচিতে এই প্রশ্নের উত্তরে যে সংকৈতগুলি মিলিয়াছিল, তাহাদের ইতিবাচক বলা কঠিন। সংসদের যুগ্মসভায় রাষ্ট্রপতির প্রথাগত ভাষণে সেই সংশয়গুলি কিয়দংশে দূর করিবার চেষ্টা দেখা গিয়াছে। কিয়দংশে মাত্র, কারণ বামপন্থীরা তাঁহাদের বহুসংখ্যক সাংসদের সমর্থনের বিনিময়ে সংস্কার কর্মসূচিতে নানা বিধিনিষেধ ও নিয়ন্ত্রণ আরোপে সচেষ্ট হওয়ায় সর্বত্রই মোর্চা সরকারের নীতি লইয়া যে সব গোলমেলে সংকেত যাইতেছিল, সেগুলি অতঃপর অন্তর্হিত হইবে এমন কথা মনে করিবার কারণ নাই। একটি ভাষণ শঙ্কা দূরীকরণের পক্ষে যথেষ্ট হইতে পারে না। কিন্তু, এই ভাষণের প্রবণতা অংশত ইতিবাচক। অভিন্ন ন্যুনতম কর্মসূচির সঙ্গে এই ভাষণের তুলনা করিলে তাহা বোঝা যায়। রাষ্ট্রপতির ভাষণের মধ্য দিয়া সরকারের নীতিমালায় অগ্রাধিকারের যে তালিকা ব্যক্ত হইল, তাহাতে সংস্কারের অপরিবর্তনীয়তা সম্পর্কে নতন করিয়া দেশবাসীকে আশ্বস্ত করার আয়োজন করা হইয়াছে। তাহাতে দেখা যাইতেছে, অভিন্ন কর্মসূচিতে যে সব 'সমাজতান্ত্ৰিক' কিংবা বামপন্থী কৰ্মসূচি নথিভুক্ত, তাহার অনেকগুলিই শিরোধার্য করার ক্ষেত্রে মনমোহন সিংহ সরকার দ্বিধাগ্রস্ত, অন্তত সতর্ক।

যেমন ন্যুনতম কর্মসূচিতে বলা হইয়াছিল, সরকারি ক্ষেত্রের নয়টি সূবৃহৎ লাভজনক সংস্থার বেসরকারিকরণ হইবে না। রাষ্ট্রপতির ভাষণে কিন্তু কেবল শক্তিশালী ও কার্যকর সরকারি ক্ষেত্রের কথা বলা হইয়াছে, নবরত্নের সেখানে উল্লেখ নাই। কর্মসূচিতে শ্রমিক-কর্মচারীদের যথেচ্ছ ছাঁটাইয়ের পরিবর্তে চাকুরির নিরাপত্তার প্রতিশ্রুতি ছিল। সরকারি নীতিঘোষণায় শ্রম-আইনে কিছু রদবদলের কথা মাত্র বলা হইয়াছে। ব্যক্তিমালিকানাধীন সংস্থা ও সরকারি ব্যাঙ্কগুলিকে মূলধনী বাজারে প্রবেশ করিতে দেওয়া এবং বিলগ্নিকরণ করিতে দেওয়ার কথাও ভাষণে রহিয়াছে। অস্যার্থ, নয়া সরকার পূর্বসূরির সংস্কারের ধারা মোটের উপর অব্যাহতই রাখিতে চায়। অভিন্ন ন্যুনতম কর্মসুচিতে যাহাই থাকুক, অক্ষরে-অক্ষরে তাহা মানিয়া চলার কোনও দায় সরকারের নাই। সুযোগ পাইলেই সরকার ওই কর্মসূচি হইতে বিচ্যুত হইবে। সংস্কারের স্বার্থেই এই বিচ্যতি। বামপন্থীরা কর্মস্চির খসড়ায় স্বাক্ষর না করিলেও, সকলেই জানেন, ইহা প্রণয়নে তাঁহাদের যথেষ্ট হাত আছে। বলা যায়, বাম হস্ত দিয়া তাঁহারা যাহা হরণ করিয়াছেন, দক্ষিণ হস্তের বরাভয় দিয়া মনমোহন সিংহের সরকার সেই সংস্কারের কিছুটা জনসাধারণকে ফিরাইয়া দিয়াছেন।

তাহার অর্থ কি এই যে, সব কিছুই আগের মতোই চলিবে? নিশ্চয় নয়। সংস্কারের গতি অবশ্যই কিছটা রুদ্ধ হইতে বাধ্য। বিশেষত বাজপেয়ী জমানায় বিলগ্নিকরণের জন্য যে হুড়াহুড়ি পড়িয়া গিয়াছিল, তাহার গতি হইবে। অগ্রাধিকারে মন্দীভত পরিবর্তনের চিহ্নগুলিও আদৌ উপেক্ষণীয় নয়। দারিদ্র দূরীকরণ কর্মসূচি, শিক্ষা ও স্বাস্থ্য খাতে মোট জাতীয় আয়ের এক উল্লেখযোগ্য অংশ বরাদ্দ করা, কৃষিজীবীদের উন্নতির জন্য সচেষ্ট হওয়া, সংস্কৃতির গৈরিকীকরণের সার্বিক ও সংহত প্রবণতাকে বিপরীত দিকে ঘুরাইয়া দেওয়ার মতো কাজ তো কংগ্রেস পরিচালিত সরকারকে করিতেই হইবে। 'পোটা'র মতো দমনমূলক আইন রুদ করিয়া সম্ভ্রাস মোকাবিলায় প্রচলিত ফৌজদারি কার্যবিধিকেই আরও কার্যকরভাবে ব্যবহার করা, সন্ত্রাস-দমনের নামে ধর্মীয় সংখ্যালঘুদের হেনস্থা ও হয়রানি বন্ধ করা এবং সাম্প্রদায়িক হিংসায় লিপ্তদের কড়া হাতে দমন করিতে নৃতন আইন প্রণয়ন করার সরকারি সংকল্পের পিছনে শাসক গোষ্ঠীর ধর্মনিরপেক্ষ অগ্রাধিকার এবং প্রতিপক্ষকে চাপে রাখার রাজনৈতিক কৌশল, দুই-ই রহিয়াছে। সংস্কারপন্থীদের যাহা সর্বাপেক্ষা বিচলিত করিয়াছে, তাহা হইল, বেসরকারি ক্ষেত্রে চাকুরি সংরক্ষণের নীতি। ইহা স্পষ্টতই আম্বেডকরের আমলের জুরাসিক নীতি, যাহা মেধা, দক্ষতা ও সমতাভিত্তিক অবাধ প্রতিযোগিতা ও বাজাবের শক্তিব অনিয়ন্তিত উচ্চাসের পরিপন্থী। সংস্কারবিরোধী এ ধরনের কোনও না কোনও বিচ্যুতি অবশ্য যে কোনও জোট সরকারেরই সীমাবদ্ধতার অন্তর্ভুক্ত। সংযুক্ত প্রগতিশীল মোর্চা কেমন করিয়া তাহার ব্যতিক্রম হইবে?

#### SECURITY SCENARIO

#### The UPA Has Its Loose Cannon

By KEITH FLORY

Programme no more than what the second of the three-word term emphasises, and security issues not troubling our politicians to any great degree (except when some cheap points are to be scored) there would be need to await a more comprehensive presentation to assess the importance attached to defence by the United Progressive Alliance. The budget, scheduled for early next month, could serve as

While the strategic community, as it likes to designate itself, is prepared to wait for the picture to unfold — a well articulated national security doctrine is not part of the Indian system of governance - it is getting increasingly concerned, troubled perhaps, at some of the comments flowing from people who ought to be speaking with a greater sense of responsibility. It would appear that contemporary realities are yet to be appreciated or evaluated by people who have been out of office for a fair amount of time.

#### Common doctrine

one indicator.

Poring over all the documents that could be mustered has not helped most analysts to figure out what the External Affairs Minister has in mind when he talks of a common nuclear doctrine for India, Pakistan and China. Surely it would not be something as simple as a "no first-use commitment", but what would be the platform upon which anything more elaborate could be constructed? A common doctrine would have to be based on a host of shared interests and in that trilateral equation identifying similarities would not be as easy a chore as what was undertaken by the drafting committee of the UPA's MCP.

For starters, India and Pakistan have pointed accusing fingers at each other when justifying their own nuclear programmes though India has also made reference to China's capability, but without the same emphasis. For obvious reasons. Why even in terms of conventional military strength India tends to avoid talking of the Chinese threat. George Fernan-

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des ventured into the truth-zone once, and got a bloody nose.

A doctrine has to be based on the strength of the arsenal, the command and control structure and above all a well-defined objective. How would India, Pakistan and China manage to work out such inter-links. The only the common doctrine theory has roots in the disarmament proposal that Rajiv Gandhi submitted to the United Nations General Assembly. There would be no need to get bogged down in a detailed analysis: that proposal was made in 1988 — before both India and Pakistan weaponised.



"common" nuclear doctrine put in practice so far was NATO's. During the Cold War the common enemy was the Soviet Union, and it was to be countered by nuclear weaponry: American nukes would play the lead role, the British and French, generally, providing support or back up. No parallel can be drawn with the trio in focus. The strategists would tend to agree with former minister Jaswant Singh's quip on Natwar Singh's balloon.

#### Damage control

The External Affairs Minister has tried some damage control after his regurgitating outdated lines that threatened to disturb the balance with Pakistan. But the observations that caused the hiccups — hopefully they were nothing more serious — as well as the call for a common nuclear doctrine would only point to lack of understanding and appreciation of the responsibility that devolves upon nuclear-weapon states. And the Common Minimum Programme endorses such nuclearisation.

Mounting another damagecontainment exercise, the Minister's apologists are arguing that That argument only adds to the suspicions that the minister is stuck in a time-warp.

Not that the External Affairs Minister is the lone offender. The Home Minister also displayed symptoms of foot-and-mouth disease when he reacted to Pakistan's testing its missile by saying it would trigger off an arms race. That is the term which the United States, and other countries including Japan, have been using to try and cap the development of missiles in the subcontinent. India has denied any such race is in the offing, contending that its military programmes are not Pak-specific and that it resents being equated with that country. The Home Minister just echoed what the critics have been saying.

Policy issues apart, surely Shivraj Patil ought to have been aware of the indigenous missile development programme that stretches across the board from the 11-km surface-to-air Trishul to the three variants of the Agni — 1500-3000 km? After all he was the MoS for Defence Production when Dr APJ Abdul Kalam was putting together the team that developed those wea-

pons in defiance of an international embargo on transfer of missile technology.

The Defence Minister, to be fair, has steered clear of such needless pronouncements and both experience and maturity have been in evidence in leaving the door tantalisingly ajar to probes into corrupt defence deals by the previous government. After all, a politician cannot be expected to abandon his political games, and if Fernandes is now fuming so be it. In his day he has singed many a beard.

#### Common net

The junior defence minister has not been as reticent as his senior. While admitting that he was still unfamiliar with the requirements of his new job, BK Handique, expressed himself in favour of placing some limits on private sector participation in defence production — which brought groans to that section of South Block making strenuous efforts to expand production base beyond the PSUs and Ordnance Factories. Maybe he would change tack once he comes to grips with the task awaiting him.

One step has been taken in the direction charted out in the CMP - a full-time National Security Adviser has been appointed and maybe the NSC will become "a professional and effective institution." One sign of effectiveness would be bringing the major players in the security game on to a common net and ensuring that ministers and officials do not speak at cross purposes or send out confusing signals that have marked the short stint that the UPA-government has held office. It will not be easy to bring about such vocal-discipline, after all loud-mouth ministers cannot be held in check. Unless the prime minister, or the power behind the throne cracks the whip.

To be sure the CMP makes another laudable promise, setting up a Department for Ex-servicemen's Welfare. While it could prove extremely beneficial if it succeeds in making life less "blue" after the completion of a period of Colour Service, it has hardly been mentioned by any leader of the new government. That is not surprising — it does not lend itself to a headline in bold type on the front page!

# President's Address: focus on agriculture, jobs and reforms

By Our Special Correspondent

NEW DELHI, JUNE 7. The President, A.P.J. Abdul Kalam, today outlined the economic agenda of the United Progressive Alliance Government which promises to ensure that the economy will grow by at least seven to eight per cent a year for a sustained period and in a manner that generates employment and provides assured livelihood for every family.

Addressing the joint session of Parliament, the President said his Government would focus on improving income and the welfare of farmers, farm labour and workers. At the same time, economic reforms would be speeded up and further reforms carried out in agriculture, industry and services. "The reforms will have a human face and will ensure that the benefits flowing from such reforms reach the urban poor and rural areas, where the vast majority of our population lives," he said.

#### Public investment will be stepped up

Mr. Kalam said the Government would substantially step up public investment in agriculture with the focus on the backward and poor regions, and ensure that the credit-lending institutions covered the small and marginal farmers extensively. Steps would be taken to mitigate the farmers' debt burden and the entire rural credit system would be restored to health. Investments in agro-processing industries to reduce wastage and encourage value addition would be encouraged.

The Government would ensure that farmers received fair and remunerative prices. For farm labour, effective implementation of the minimum wage law had been promised.

The address focussed on another area of concern — that of shrinking employment opportunities for the youth. The Government would adopt policies to expand employment opportunities by creating a climate conducive to investments in the organised sector; vastly expand credit facilities for the small-scale industry and self-employment and provide full support were fully protected. Specific proposals to the services sector to realise its true employment potential.

#### New jobs promised

The Government would create new jobs in other areas such as village industries, textiles, handicrafts, horticulture, aquaculture, forestry, dairying and agro-processing to benefit rural and urban youth. Besides, to keep the promise of providing guaranteed employment for 100 days in a year to at least one-able bodied person in every rural household, a National Employment Guarantee Act would be legislated and implemented in a phased manner.

On health and education, the President promised on behalf of the Government to increase public spending to 2-3 per cent of the gross domestic product over the next five years in case of health and at least six per cent in case of education, with half earmarked for primary and secondary education. A cess would be imposed on all Central taxes to finance the commitment to universalise access to quality basic education. The Government also promised to take steps to ensure the availability of lifesaving drugs at reasonable prices.

#### Private sector and SCs/STs

On social justice, the President said the Government would initiate a dialogue with political parties, industry and other bodies on how best the private sector could fulfil the aspirations of the Scheduled Castes and the Scheduled Tribes.

For the unorganised sector, the promise is to expand social security, health insurance and other schemes for workers such as fishermen and fisherwomen, toddy tappers, leather workers, plantation labour and beedi workers.

The Government's stance on labour laws has been reflected in the address. Acknowledging that some changes were needed in labour laws so that the manufacturing sector could grow rapidly with concomitant expansion in employment opportunities, the President, however, said these changes must ensure that workers and their families

would be made only after consultations with industry and trade unions.

For industry, the address had some broad formulations such as actively encouraging overseas investment in the hydrocarbon industry, facilitating private sector participation in the power sector and continued encouragement to foreign direct investment. A specific proposal, however, is to provide incentives for boosting private investment. The commitment to rejuvenate the capital markets and encouragement to foreign institutional investors has also been mentioned by the President.

#### Major tax reforms

The President promised that the Government would undertake major tax reforms to significantly expand the base of taxpayers, to increase tax compliance and make tax administration citizen-friendly. But tax rates would be stable and conducive to growth, compliance and investment. Value Added Tax would be introduced in close cooperation with trade and industry.

The commitment to eliminate the revenue deficit of the Central Government by 2009 has been reiterated along with the promise that subsidies would be targeted sharply at the poor and the needy.

The Government's stance on public sector disinvestment also finds reflection in the President's address where it has been stated that privatisation will be considered on a case-by-case basis while chronically loss-making companies would either be sold off or closed.

Successful, profit-making companies operating in a competitive environment would be granted full managerial and commercial autonomy

Priority would be given to the development of infrastructure with encouragement to public-private partnership to expand infrastructure such as roads, ports, airports, power, railways, water supply and sanitation. Public expenditure on infrastructure would be raised and subsidies in such investments explicitly provided for in the

# Assocham hails UPA's policy

NEW DELHI, June 7. — Industry chamber Assocham today welcomed the UPA government's new economic policy as enunciated in the Presidential address, saying it would instill confidence and help stabilise the capital markets and hoped that the Budget would also be prepared on similar lines.

"The industry was assured and hopeful that the Budget to follow will now be on similar lines which would boost economic growth as well as induce wider dispersion of the benefits of such growth to much larger sections of the Indian population," Assocham president, Mr M K Sanghi said here.

He also complimented the government for recognising the need for making labour laws flexible to increase employment opportunities and improve quality productivity

productivity.

Mr Sanghi said for sustained seven to eight per cent economic growth, the government's promise of massive public investments in infrastructure, rural development, agriculture and industry was crucial.

#### COORDINATION COMMITTEE ON THE ANVIL

### Left panel to monitor UPA

SNS & PTI

KOLKATA, June 7. -Left parties, key supporters of the UPA government at the Centre, will constitute their own coordination committee to monitor the functioning of the ruling coalition at the Centre.

The decision to form the committee had been taken by the CPI-M politburo and was endorsed by all Left parties with an aim to coordinate with the government and advise it on adoption of pro-people policies, the CPI-M state secretary and politburo member Mr Anil Biswas said today.

"We will form a coordination committee of the four Left parties – CPI(M), CPI, Forward Bloc and RSP – within this week," Mr Biswas said.

He said the committee would monitor the functioning of the UPA government in the wake of the Left parties' endorsement of the Common Minimum Programme. The convenor of the committee will be

CPI(M).
"We will coordinate with the government on what things are to be done," Mr Biswas said without elaborating.

Marxist leader and former chief minister of West Bengal Mr Jvoti Basu vesterday said that the Left parties, extending outside support to the UPA government, must coordinate with it on a daily basis to ensure that their suggestions included in the CMP were properly implemented. Chief minister Mr Buddhadeb Bhattacharjee today justified Mr Basu's stand.

"He is right in suggesting that, he has made the right observation," Mr Bhattacharjee told reporters at the secretariat when asked to comment on Mr Basu's statement.

Mr Biswas meanwhile said the CPI-M will place

#### **Buddhadeb clears stand**



KOLKATA, June 7. — Chief minister Mr Buddhadeb Bhattacharjee today clarified his comments he had made at a CPI-M rally in Krishnagar yesterday where he had reportedly said that the Left's support to the Congress is not unconditional and if the Left's demands are not met, the support will be reconsidered. Mr Bhattacharjee clarified today that he had only said that the Left would protest if the Congress-led government takes anti-

No Controversy: CM people steps. At the rally in Krishnagar, Mr Bhattacharjee said: "We cannot accept if this government pursues policies which are against the interest of the people. We have not joined the government. By allowing Mr Somnath Chatterjee to take the post of

Speaker we have driven the point that we are with the government but we will not accept if it commits any mistake." Commenting on Mr Bhattacharjee's statement in Krishnagar, Mr Anil Biswas said: "What he meant was that the Centre has to protect the rights and interest of the poor and we have to keep our eyes open to see that it is done. "There's a Left committee in Delhi to monitor these things." -- SNS &PTI

its contention before the UPA government on the demand made by Union minister for coal, mines and minerals, Mr Shibu Soren regarding shifting of the Damodar Valley Corporation and Coal

India Limited headquarters to Jharkhand.

"The government at the Centre has to decide this. We will let them know what we have to say on this issue," Mr Biswas said.

#### Kargil: Cong wants probe, BJP unfazed

HT Correspondent (

THE CONGRESS and CPI(M) on Sunday hit out at the previous NDA government for the shortcomings and delays that cost Indian lives during the Kargil war, as reported in a Hindustan Times exclusive on Sunday, and accused it of lapses in national security. The BJP dismissed the criticism as a ploy to divert attention from the issue of tainted ministers in the Manmohan Singh government.

The army said that the in-house study that referred to the Kargil war was an internal document meant to serve as a lesson for the future. Top officers said that army chief General N.C. Vij wanted the report to be circulated to all formation commanders and units to serve as an instruction manual

The Congress and the Left said they would seek an inquiry into the lapses. "There have been lapses in national security. Nothing can be a more serious crime towards citizens, Congress spokesman Ashwini Kumar said. He added that the matter would be raised in Parliament and the terms and references of the inquiry would be discussed in detail.

Kumar blamed former Defence Minister George Fernandes for the lapses. "The government and defence ministry knew about it but still took no action," he alleged. CPI(M) MP Basudev Acharya called Kargil

an "intelligence failure" and demanded ac-

tion against those responsible for it.

Dismissing the criticism as mere diversionary tactic, BJP spokesman Arun Jaitley said his party was ready for a debate on the issue in Parliament. "The Congress had raised the Kargil issue earlier too. But by doing so again, they cannot divert attention from the issue of tainted ministers which the BJP is determined to press ahead with," Jaitley said. "It (the army study) it is a sensitive issue... the matter pertains to a decision of the Cabinet Committee on Security (CCS) and we would

#### **SOUND BIT**



- I don't want to comment on the basis of - Former Army a newspaper report chief Gen. V.P. Malik
- \* There have been lapses in national security. Nothing can be a more serious crime towards citizens — **Congress**
- By raising the Kargil issue, the Congress cannot divert attention from the issue of tainted ministers which we are determined to press ahead with - BJP

therefore not like to comment on it."

The study talks about the army's lapses during Operation Vijay and accuses the political leadership of failing to take decisive and quick action. The government's delay in granting clearance for use of air power resulted in Pakistan getting sufficient time to consolidate its defences, resulting in increased Indian casualties, it says. The Indian Army lost 474 men in the war. The IAF was prepared to strike on May 13, but the CCS waited till May 25 before giving it the green light, the report claims.

THE HIDUSTAN TIMES

7 JUN PART

## All the Prime Minister's men

kind of officers and aides he self with in the Prime Minister's Of-

It is the quality and competence of these administrative and political

They are the quintessential men behind the scene. Harish Khare on the new PMO

aides that determine whether or not a Prime Minister is able to perform his job as the country's chief political executive.

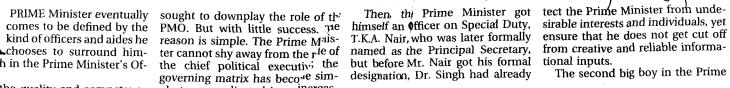
The image of an omnipotent PMO has endured since the days P.N. Haksar presided over Indira Gandhi's Office and made it the hub answer was known. To begin with, of political and administrative vi-

PRIME Minister eventually sought to downplay the role of the ply too complicated in ar increasingly complex global er/ironment to permit a bearish aproach.

Manmohan Singh is no choice but to be an activist rime Minister, even if temperame ally he may not be cut out for such a role. Part of the solution can be to put in place a bunch of tougl officers.

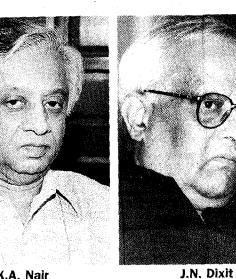
The key is here is that of the Principal secretary to the Prime Minister or six years Brajesh Mishra releitlessly protected and promoted his principal, Atal Bihari Vajpayee's political and personal interests, and eventually became the second most powerful man in the country.

The curiosity, then, was whether Dr. Singh would want to replicate the Brajesh model. And, soon the the posts of Principal Secretary and the National Security Adviser to the



tional inputs.

The second big boy in the Prime



T.K.A. Nair



N.N. Vohra



M.K.-Narayanan

appointed J.N. Dixit as his National Security Adviser. The signals were clear that there would no one single power centre. But will there be harmony in Dr. Singh's tripod?

Mr. Nair has a task on his hands in re-inventing a role for himself in the PMO. Like his principal, he is also a decent, mild-mannered, softspoken gentleman. He will probably compliment the Prime Minister's own areas of strength, economic management; many would like to reserve judgment about his skills for political management.

But having worked as the Chief Secretary in a difficult State like Punjab, he is probably no stranger to the politicians' world of intrigue and conspiracy. It will be months before it gets known whether he is

Minister Office is Mr. Dixit. Unlike Mr. Nair, he is first a Sonia Gandhi appointee. Over the last few years, Mr. Dixit has been working closely with Ms. Gandhi as part of the AICC's foreign affairs department; and, it was during this time that he earned the respect of both Ms. Gandhi and Dr. Singh. Being a lifelong establishment man he knows the ritual of institutional loyalties. He has an added advantage - a reputation of being a pugnacious man, someone who will not mind having an occasional bureaucratic Apart from his institutionalised

role as the National Security Adviser in the nuclear scheme of things, he is also expected to deal with our three major intelligence agencies toughness of intent and style to pro-search and Analysis Wing, and the on with the business of governance.

Then, the Prime Minister got tect the Prime Minister from unde- Defence Intelligence. That means comes to be defined by the PMO. But with little success, The himself an officer on Special Duty, sirable interests and individuals, yet he could often find himself in conreason is simple. The Prime Malster, Natwar Singh, though both claim to be best of friends.

The third leg of the tripod is M.K. Narayanan. He is a familiar and friendly face to the Rajiv Gandhi crowd. A former Director of the Intelligence Bureau, he had worked closely with the then Prime Minister. He too was inducted into the PMO because both Ms. Gandhi and Dr. Singh wanted him to be there.

It is not yet clear whether he would have any executive responsibilities, but he will eventually become the grand adviser to the Prime Minister on how to manage our internal conflicts. He will have plenty on his plate; there is Jammu and Kashmir and the on-going dialogue process with the All Parties Hurriyat Conference; there is the entire Northeast where professional rebels and professional politicians combine to manufacture insurgency; and then, there is the Naxalite challenge in substantial parts of the country. "Mike" Narayanan should be able to get along with Mr. Dixit and Mr. Nair.

The new tripod has already accomplished something rather sensible: it has been decided to ask the former Union Home Secretary, N.N. Vohra, to continue with his rather tedious task of having a "dialogue' with various groups in Jammu and Kashmir. The tripod has shown a welcome maturity of judgment rather than allow partisanship to derail a crucial process.

Then, Dr. Singh has opted to have a Minister of State, Prithviraj Chavan, in his office. Mr. Chavan is known to be part of a fast vanishing breed, the thinking Congressman. These last few years when the Congress was out of power, he and few others had kept up the habit of arguing and analysing ideas and pol-

He has obviously impressed Dr. Singh with his sincerity of purpose. As Minister of State in the PMO, it will be Mr. Chavan's job to do the political liaison with the members of the United Progressive Alliance.

A somewhat crucial voice in the PMO will belong to a quiet but effective man, Pulok Chatterjee. He will try to replicate the role that Ashok Saikia came to play in the Vajpayee PMO: the all-too-powerful assignment of an officer to the Appointments Committee of the Cabinet. In 1999, he was seconded to Ms. Gandhi as her Private Secretary in her capacity as Leader of the Opposition. He can thus be credited with having a dual loyalty, though not necessarily a divided loyalty.

The Manmohan PMO is almost in place and the new Government can he said to have hit the ground runcapable of summoning the requisite the Intelligence Bureau, the Re- ning. All that now remains is to get

#### Perfect harmony

The beginning has been rather auspicious. The Prime Minister enjoys the complete trust of the Congress president.

Manmohan Singh, must be the first to know that the Congress president, Sonia Gandhi, is the source of his greatest strength as well as a potential source of paralysing weakness.

The two have been trying hard to strike a decent rhythm in their relationship, without undermining the institutional prestige and dignity to which Dr. Singh is entitled but also without making the Congress president feel that she is not consulted.

Ms. Gandhi has been named chairperson of the National Advisory Council to Monitor the Implementation of the Common Minimum Programme. This is the best possible device as also a transparent arrangement. She will have the rank and status of a Cabinet Minister.

Armed with the new official status, she would be able to interact with the officials without inviting the charge of being an extra-constitutional authority. Yet by accepting a position with a Cabinet status, she ipso facto acknowledges the institutional superiority of the office Dr. Singh

Ms. Gandhi is reportedly rather mindful of protocol. In the initial days of government making, it was the Prime Minister who was travelling all the time to 10 Janpath. But she is hoping to impress upon Dr. Singh that there is really no need for him to call on her every time the two have to have a discussion.

Ever since the new Government has been sworn in, the Prime Minister's visits to 10 Janpath have been few and far between. On the other hand, Ms. Gandhi has been travelling to 7 Race Course Road for meetings of the United Progressive Alliance.

She has also drawn a laxman

rekha that her political advisers — Ahmed Patel, Ambika Soni, Salman Khursheed and Jairam Ramesh — will not try to entangle themselves in governmental affairs. "Government will be run by the government people, the party will be run by the party apparatchiks," says one of the advisers.

Dr. Singh will continue to be a member of the Congress Working Committee, and as such will be answerable to the party's highest decision-making body. At the same time, the intra-coalition troubles are better dealt with at the party level, as indeed was done with the Rashtriya Janata Dal and later the Dravida Munnetra Kazhagam. As the Congress president, Ms. Gandhi is a useful buffer between the Prime Minister and other constituents in the UPA.

The beginning has been rather auspicious. The Prime Minister continues to enjoy the complete trust of the Congress president. It is only the beginning of what should be a long journey but no one should underestimate the potential of the tale-carriers.

Within days of the regime change, some bureaucrats were heard proclaiming loud and clear that because of this or that service in the past to Indira Gandhi or Rajiv Gandhi, they would be the new favourites. These busybodies will be found out, sooner or later, but meanwhile they can cause a great amount of misunderstanding.

Ms. Gandhi, for now, appears to be perfectly happy in letting the Prime Minister bask in the limelight, but he himself is a reluctant glory-chaser.

As long as she remains at ease with the arrangement, Dr. Singh will make an untroubled Prime Minister. — H.K.



Prithviraj Chavan

# Industrialists seek reduction in comporate tax rates

By Alok Mukherjee

NEW DELHI, JUNE 4. Indian industry almost in an unanimous voice today urged the Union Finance Minister, P. Chidambaram, to increase the income tax slabs and reduce rates to those prevailing in the ASEAN region while doing away with exemptions as had been suggested by the Kelkar Task Force on Direct Taxes. The industry was responding to the Minister's comment at a pre-budget meeting that he favoured lower tax rates, provided exemptions were phased out.

Making their presentations at the meeting organised by Mr. Chidambaram today, industry representatives called for reduction in corporate tax rates to levels matching those of individual assessees. Another unanimous demand from industry was for the introduction of a nationwide Value Added Tax (VAT) with a maximum rate of 16 per cent to which Mr. Chi-dambaram said once the date was fixed for introduction of VAT, it should be adhered to. The Minister was also asked to consider bringing all services under the tax net, barring some essential services, in order to shore up revenues.

Incidentally, sections of industry have opposed the Common Minimum Programme proposal for an education cess, saying there should not be any levy in the form of surcharge and cess. There was also a suggestion to impose tax on agricultural, income beyond Rs. 5 lakhs at a flat rate of 15 per cent.

On foreign direct investment (FDI), there were suggestions to increase the 26 per cent limit in the insurance sector to 49 per cent and in telecom from the current 49 per cent to 74 per cent. A case was also made for 26 per cent FDI in retailing.

To restore investor confidence in the stock markets, the suggestions included sale of



The Union Finance Minister, P. Chidambaram, at a meeting with industrialists in New Delhi on Friday. — Photo: Shanker Chakravarty.

public sector shares, exempting long term capital gains on listed equities acquired on or after March 1, 2004 as was stated in the interim budget and attracting investment in new equities through deduction in computation of total income by 50 per cent of the cost of equity shares. There was also a call for reducing the dividend distribution tax from 12.5 per cent to 7.5 per cent.

On labour law, the suggestions included the introduction of a new flexible law for new units to allow replacement of non-performing workers with willing workers and for the provision of contract labour without restrictions to promote investment in labour-intensive exports where orders are cyclical and uncertain. There was a demand to liberate the small scale sector from rigid labour laws and instead have legislation only on minimum wages, hours and days of work and social security like provident fund.

On subsidies, a proposal was

presented to the Finance Minister stating that the food subsidy bill at present was Rs. 25,200 crores whereas only Rs. 15,000 crores would be required to provide 25 kg of free food per month to each of the five crore households below the poverty line. This subsidy should be in the form of direct income transfers such as Food Stamps. The remaining subsidy amount could be utilised for productive purposes in the rural sector.

Indian industry also wanted the Government to go ahead with disinvestment of its shares in public sector units and to park the proceeds in a dedicated fund exclusively for socio-economic development of rural areas.

The exporting community wanted continuation of the benefits under Section 80-HHC till 2010 since this section had helped to promote exports in the past. There was also a suggestion to reintroduce Section 35-B (export market development allowance) to combat

transaction costs. Mr. Chidambaram also met agriculturists and agriculture experts earlier in the day where it was suggested that the next budget should not introduce any new schemes but concentrate on declogging and consolidating existing schemes for cost efficiency and improved delivery.

Other suggestions included improved credit systems and development of appropriate insurance schemes for farmers, rationalisation and phasing of subsidies on food and fertilizers and encourage a second Green Revolution by focusing on value addition in agriculture and the allied sectors through development of agro-processing and agro-based industries.

Some other suggestions included priority for inter-linking of rivers, lower import duties on agricultural implements, setting up a calamity fund for small and marginal farmers and fiscal incentives for storage, transportation and marketing network for agricultural exports.

5 11 1 290

# sures Pak of ties that look beyond past Natwar

sured his Pakistani counterpart that the future of bilateral rela-tions would not "lie in the past", in an attempt to clear the air on his reported remark on "Simla Agreement being the bedrock of India-Pakistan relations".

The call by Singh to Khur-sheed Mehmood Kasuri this morning was the second time the foreign ministers spoke with 3: Foreign minister Natwar Singh today as-PRANAY SHARMA New Delhi, June

of discussions with Khan and called the Pakistan foreign miner was in the room. In the ings and regards" to Singh, said foreign ministry spokesman Navtej Sarna, reports PTI. dent Pervez Musharraf's "greetister while the high commission. evening, Khan conveyed Presitoday
He took the opportunity of clarifying his stand when, "as a special gesture", he decided to receive Pakistani high commissioner Aziz Ahmed Khan, who was in South Block to meet foreign secretary Shashank.

Singh had more than an hour Kasuri had called Singh to congratulate him on his victory in the Lok Sabha elections and on each other recently. A week ago, becoming the foreign minister. Singh reciprocated the gesture

Singh's call came in the wake of a controversy brewing be-tween the two countries in the past few days.

His stress on the Simla Agreement had led Pakistan to

continue to make your valuable contribution to promoting har-"I am confident that you will mony and cooperation between process, reports PTI believe that India, under the Atal Bihari Vajpayee on January Congress-led Centre, was trying to ignore the subsequent agreements signed between the two countries -- particularly the joint statement by Musharraf and 6 this year in Islamabad.

position had even led Musharraf to call up former Prime Minister The perceived shift in India's Vajpayee on Sunday to seek clar-

ther said in his letter.

Today, it was Pakistan Prime Minister Mir Zafarullah Khan

on Tuesday while addressing his first news conference as foreign minister. He said his reference to

the Simla Agreement did not mean all other bilateral agreements were irrelevant and were being ignored. Jamali's turn to approach Vaj-payee, but only to thank him for his "strong personal contribution" to the Indo-Pak peace

flected that India did not have a press statement of January 6 were also important as they He had emphasised that the Lahore Declaration and the joint were "part of a chain" and re-"static" foreign policy. our two countries..." Jamali fur-Singh had clarified his stand

A foreign ministry statement his meeting with The telephone conversation be-Khan as "friendly discussions" described

tween Singh and Kasuri had al interest and was conducted in "touched on all issues of bilatera spirit of friendship, cordiality

and bonhomie", it added. Kasuri had recently issued a cised Singh's Simla Agreement as "bedrock" remark but also took exception to his attempt at proposing the Chinese model in tions. This model envisages a freeze on border disputes till statement that not only critiimproving India-Pakistan rela-



Singh: 'Special gesture'

progress is made in other areas.

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#### Swadeshi Jagran Manch pats UPA on CMP

New Delhi: The Swadeshi Jagran Manch (SJM), an old critic of the BJP, has slammed the BJP's economic policies and patted the UPA government for its newly-minted Common Minimum Programme (CMP).

TIMES NEWS NETWORK

The RSS-affiliated body hailed the CMP as "a good beginning" and attacked the NDA government, particularly on disinvestment. It lauded the Manmohan Singh government for doing away with the disinvestment ministry. SJM national convenor Muralidhar Rao said that the new coalition had "attempted to reflect the aspirations of common man and balance the growth imperatives.

"The CMP appears to disseminate the message that the government is serious about welfare of farmers, artisans, workers and weaker sections of society," he said.

The SJM's statements are being seen in differing light. One view is that the organisation is giving vent to its long-standing differences with the Vajpayee regime while another school of thought feels that the SJM is keen not to leave all the 'pro-worker' space to the Left.

While the SJM could be driven by a mixture of both motives, the organisation claims to have the highest number of trade unions as its affiliates, whose support they would be keen to retain. Rao did added that he "hoped" PM Manmohan Singh would "decipher" the true mandate of the elections.

Rao said that the CMP "can be called a good beginning but there is a long road to be trav-

elled between promises and their implementation," he said. Claiming that the economic policies of the NDA government were largely responsible for its defeat, Rao said, "except for its stand on WTO issues, NDA's economic policies were rejected by the electorate.

He said the disinvestment of PSUs "definitely" played a part in NDA's debacle as even those who support disinvestment think it was done wrongly."

Rao said the electorate had given a "mandate" for greater focus on agriculture, unorganised and small scale sectors and develop-

ment with employment.

"We welcome the new government under leadership of Manmohan Singh with the hope that he will really translate promises he made about constructing a new and unique framework where agriculture, SSI, unorganised sector and generating employment become central along with economic growth," he said. Rao said the electorate had entrusted the Left parties with greater responsibility and "we hope they will demonstrate maturity and seriousness in defending core national issues."

Asked whether SJM will coordinate with the Left on privatisation issues, he said, "we are open-minded in this regard and have not closed any options."

"We are not against privatisation or private participation per se, but this should be carried out with care and in a transparent manner," Rao said but added that SJM was against disinvestment in oil and telecom sectors while it favoured selling off hotels.

# Chidambaram talks, market balks

1-67

industrialists, Chidambaram started a media briefing at 1.45 pm. He spoke for around 10 minutes. By 2 pm, the BSE Sensex had plunged by more than 70 points. The index continued its downcontinued his efforts to talk up the mara sharp fall instead. After a meeting with FINANCE MINISTER P. Chidambaram ket on Thursday, but managed to trigger HT Correspondent Mumbai, June 3

The Sensex fell by 105.7 points with the make any negative noises during his briefing, analysts said that the lack of a clear position on market-related issues intra-day fall being as high as 223 points. Though the finance minister did not ward trend through the day.

investment activities picking up in the Chidambaram said there were signs of economy. Assuring the financial community of taking the reform process for-

1 198 2005

15.17 Finance minister begins to speak SENSEX ON THURSDAY 10.41 11.27 12.13 09.55

ward, Chidambaram emphasised that "the UPA government will do everything After meeting the finance minister, the to advance economic reform".

the first week of August financial community was unanimous that the reform process will continue. Industrialists present included Mukesh Ambani, Anand Mahindra, Adi Godrej,

Ajay Piramal, Anil Agarwal of Sterlite, Deepak Parekh and Uday Kotak.

Graphics: SANJAY

"The finance minister has assured

that by 2008-09, there will be no revenue deficit in the budget," said Piramal.
"Of course, the government is reforms-friendly, Prime Minister Manmodambaram are like Gavaskar and Tendulkar in one cricket team," said han Singh and Finance Minister P. Chi-

back-to-back meetings with the top brass tutional investors, investment bankers suming office, the finance minister had and the industrialists. "I left out mutual In his first visit to Mumbai after asof Sebi, stock exchanges, stockbrokers, funds but I promised to meet them short bankers, the RBI Governor, foreign insti Mukesh Ambani.

ly," Chidambaram said. The finance minister also declared ed in the first week of July and cleared in that the General Budget will be present

THE HIDUSTAN THES

# Airport upgrade plans face Left disapproval

Amita Shah
NEW DELHI 3 JUNE

■HE Left appears determined to place road blocks before the government's plans to modernise Delhi and Mumbai airports. The Leftists on Thursday hit the streets against the modernisation programme announced by the government on Wednesday. The Left also demanded core sector status for the Airports Authority of India (AAI). In a letter to civil aviation minister, CPM general secretary Harkishen Singh Surjeet alleged that the programme was a continuation of the earlier government's policy. "The decision to privatise these profit-making airports under the garb of restructuring was taken by the previous NDA government," he said. Pointing out that there was no rationale behind privatising profit-making units, Mr Surject said the reserve funds of the AAI should be utilised for airports' modernisation. "Ever since the AAI was created, it has been managing 124 airports and has been making huge profits. In the last financial year, the AAI had made a net profit of Rs 288 crore," he said.

The Left's tough stand on the issue indicates that the civil aviation minister's visits to the Left party offices in the Capital have not made matters easy for the government. The minister had told the Left leaders that foreign control will not be allowed and security will not be undermined.

The Left-affiliated trade unions — CITU and AITUC — have expressed solidarity with the protesting AAI employees' union and are likely to the matter when they meet finance minis-



PICKET FENCES: Sitaram Yechury protesting UPA's airport modernisation plans in New Delhi on Thursday. — PTI

ter P. Chidambaram on Friday.

The AITUC on Thursday protested against the decision to dilute government's equity in AAI to 26%. It said the decision will render the 122 airports under the AAI's control sick. "After privatisation, the remaining 122 airports are bound to become sick, thanks to the UPA government against the grade step," AITUC said, "ALTUC said," ALTUC said, "ALTUC said," ALTUC said, "ALTUC said, "ALTUC said," ALTUC said, "ALTUC said," ALTUC said, "ALTUC said

The Economic Times . (4 2003

# Somnath to be elected unopposed

By Our Special Correspondent post camero a close, there was

set for the unanimous election of the veteran CPI(M) leader, later told reporters: "we could NEW DELHI, JUNE 3. The stage is no other candidate in the race. tomorrow, with all the parties Speaker of the 14th Lok Sabha submitting sets of nomination across the political spectrum endorsing his candidature and

experience

parliamentarian." papers in his favour. The election of the Deputy place by consensus on June 9. The post has been offered to Speaker is expected to take Satya Narayan Jatiya, 'though some other names from among ya Janata Party has not yet fi-By noon today, when filing of the Opposition but the Bharatinalised its candidate. However, it is likely to field the former Union Minister and Ujjain MP, the allies are being discussed

nominations for the Speaker's

Nomination papers in favour Yadav, the Nationalist Congress by chairman of the Congress Parliamentary Party, Sonia Gandhi, the chairman of the of Mr. Chatterjee were signed Bihari Vajpayee, the Leader of the Lok Sabha, Pranab Mukherjee, the Leader of the Opposition, L.K. Advani, the Rashtriya BJP's parliamentary wing, Atal lanata Dal leader, Laloo Prasad the support by all parties is a not have got a better person ... his statesmanship and his long tribute to his able leadership,

Mayawati, among many others. The Left parties filed four sets Party leader, Sharad Pawar, the ish Kumar, the Samajwadi Party leader, Ram Gopal Ýadav, and the Bahujan Samaj Party leader, of nomination papers in favour Janata Dal (United) leader, Nitof Mr. Chatterjee.

Editorial on Page 10

. THE HMD! 1/// 4 2001

### Cong retains Vohra for J&K

Press Trust of India
New Delhi, June 2

THE CONGRESS-LED UPA government has retained N.N. Vohra as the Centre's interlocutor in Jammu and Kashmir, designating him "special representative of Government of India for J&K dialogue", a shortened form of "representative of Government of India for initiation of dialogue with various groups in J&K" made by the previous NDA government.

Vohra will now concentrate on working out modalities for the third round of talks between the Centre and the Abbas Ansari-led Hurriyat Conference, scheduled for June-end during the NDA tenure, sources said.

Vohra has, this week, convened a meeting of the coordination group of top Central government officials, set up by the last government, to work out modal-

#### **Hurriyat stand**

STILL REELING from the attacks on its leaders, the Abbas Ansariled Hurriyat Conference on Wednesday said it was being targeted for holding dialogue with the Centre and would closely watch the steps taken by the new government before deciding on "whether to enter the next round of talks".

PTI, Srinagar



N.N. Vohra

ities for Centre-Hurriyat talks. This will be the group's first meeting after the Manmohan Singh government took over.

But sources have indicated that this round of Centre-Hurriyat talks may be delayed by about a fortnight. "I will be focussing on the third round of talks and for

that I have to consult with Union Home Minister Shivraj Patil and see his availability of time before fixing the next round of talks with the amalgam," Vohra said. Sources said Vohra was to

Sources said Vohra was to visit Kashmir in the middle of this month to continue with the efforts of wooing more groups for talks.

Separatist groups like the Hurriyat faction led by hardliner Syed Ali Shah Geelani have so far refused to talk to the Centre. A PMO spokesman said Singh has requested Vohra to continue as the Government's special representative for the Jammu and Kashmir dialogue.

Meanwhile, Vohra met J&K Chief Minister Mufti Mohammed Sayeed on Wednesday and discussed the state's situation for nearly two hours.

Vohra was appointed as the Centre's pointsman by the previous NDA government in February last year. He travelled to the state thrice to hold talks with various groups in all three regions — Kashmir, Jammu and Ladakh — in an attempt to find a way to restore normalcy there. His efforts had paved the way for two rounds of parleys between then Deputy PM L.K. Advani and the Hurriyat.

#### JASWANT TURNS ON RAP MUSIC

# NDA questions Team UPA's

New Delhi 2 JUNE

N a frontal attack on the Common Minimum Programme (CMP) of the new Congress-led coalition government, the NDA said on Wednesday it made "fantastic promises" without specifying how they are going to be funded, particularly job creation.

"The CMP was made hurriedly after the elections. It makes lot of promises (for economic development). But

there is no clarity on where from the funds will come," former finance minister and leader of opposition in Rajya Sabha, Jaswant Singh, told a press conference in New Delhi. While wishing his successor P. Chidambaram all the best, Mr Singh questioned how the new government sought to generate additional revenues to carry out higher pubinvestments while reining in fiscal deficit.

Asked whether the UPA government would be able to maintain the higher 8% growth momentum, Mr Singh said: "I will not speculate on whether or not economic growth will be 1% lower than what we had projected. I hope they maintain the record we set, if not better it." Claiming that the economy fared well during NDA rule, he said: "Fiscal deficit was at 4.6% of GDP, less than the revised estimate. Revenue deficit was lower at 3.5% with revenue collection for the first time exceeding the budget target."

Higher spending promised by the CMP should be accompanied by higher revenue generation, he said. "The promise of 100 days of employment to all is an admirable suggestion. But it would be useful if it is clarified where the money will come from." Mr Singh said

come from," Mr Singh said In a document titled "A Prescription for Regression," the NDA said the promise on the employment front was "doomed to fail for the simple reason that the panchayats and municipal bodies, which alone can take up public works, are starved of resources." Moreover, it said: "The financial health of the state governments is precarious. Many of them use development funds to pay staff salaries."

Questioning the stand on disinvestment, he said: "Our experience says you can't find buyers for PSUs which do not earn money." He also dismissed



the notion that the disinvestment ministry was being disbanded, saying "what I understand, it is going back to where it originally belonged to, that is the finance ministry."

Mr Singh declined to comment on the proposed cess on all central taxes to fund education but said: "I will like to see it in concrete terms." He also refrained from commenting or the proposed schemes to tap black money, saying "the new finance minister has every right to come up with these."

The NDA document said the government was stalling the river-linking project and made no mention of the National Highway Development Project and the rural roads schemes initiated by Atal Bihari Vajpayee. The CMP also has no mention of airport, civil aviation and biotech, while it makes casual treatment of the two fast growing sectors—telecom and IT, the NDA said. —PTI

# Singh was critical of the UPA's economic policies, saying there was no clarity on where the Minister and Leader of Minister and Minister an

By Our Special Correspondent

NEW DELHI, JUNE 2. The former Finance Minister and Leader of the Opposition in the Rajya Sabha, Jaswant Singh, today criticised the External Affairs Minister, Natwar Singh, for his recent statements on ties with Pakistan and wondered whether his idea of a "common nuclear doctrine" for India, Pakistan and China was a "fanciful individual notion."

Addressing a press conference jointly with the National Democratic Alliance convener and former Defence Minister, George Fernandes, to present the NDA's critique on the ruling United Progressive Alliance's Common Minimum Programme (CMP), Mr. Jaswant

funds for its "grandiose plans" would come, be it for investment in agriculture and infrastructure or the promise of 100 days of guaranteed employment.

In answer to a question, the NDA leaders said the Opposition MPs would march to the Rashtrapati Bhavan tomorrow and present a memorandum to the President, A.P.J. Abdul Kalam, against the induction of "tainted" Ministers in the Cabinet. They would request him to whatever action deemed fit.

Referring to the CMP, Mr. Jaswant Singh said it was silent on the issue of external and inter-

sence of thought or that there was no unanimity of view within this arrangement of the Progressive Alliance."

On Mr. Natwar Singh's recent statements, he said: "It would be difficult for me to comment on the External Affair Minister's statements. I have only read newspaper reports suggesting that there will be continuity in policies with the U.S. but the statements on Pakistan veered from one end of the pendulum to another. I hope they find a static position."

He said the relations with Pakistan were put on a firm footing by the former Prime Minister, Atal Bihari Vajpayee, in the interest of the peoples of both the countries and for the

Commenting on the Government's proposal for a "common nuclear doctrine" he asked how it was possible when the origins were different.

"While India subscribes to minimum nuclear deterrent and to no-first use, Pakistan does not have a no-first use policy and China subscribes to a very different no-first use. It is important that the Government verifies its thinking and not be given to fanciful individual no-

'A document for compromise': Page 11 Natwar Singh's proposal innovative, says Pakistan; China silent: Page 12

THE HANDU \* 3

# NDA to march against tainted ministers the Congress and the Communists. The delegation would present evidence against these ministers. Mr Jaswant Singh who was also present at the green. NEW DELHI, June 2. — Prime Minister Dr Manmohan Singh today did not appear.

Statesman News Service

NEW DELHI, June 2. -- The NDA today announced that all its MPs would march to Rashtrapati Bhavan tomorrow to protest against the inclusion of tainted ministers in the Manmohan Singh government. NDA convener Mr George Fernandes said an alliance team would then meet President APJ Abdul Kalam and demand removal of these ministers.

Mr Fernandes, however, ruled out boycott of the ministers saying that the NDA's culture was different from that of

Singh, who was also present at the press conference, said law could prevent such

people from becoming ministers.

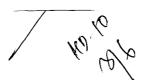
On the Shiromani Akali Dal's insistence to boycott Union minister Mr Jagdish Tytler for his alleged role in the 1984 anti-Sikh riots, Mr Fernandes said: "They have their grievances and their views are not unjustified. We have not taken any decision on it."

Both Mr Fernandes and Mr Singh attacked the UPA's Common Minimum

Manmohan Singh today did not appear perturbed over the NDA threat to turn the heat on the government on the issue of inducting "tainted" ministers. "We will face these as they come along," Dr Singh said at Rashtrapati Bhavan shortly before President APJ Abdul Kalam administered oath to CPI-M leader and pro-tem Speaker Mr Somnath Chatterjee as Lok Sabha member. — PTI

Programme which they termed "a pre-scription for regression."

THE STATESMAN , 3 MA TOO,



#### FUNDING THE CMP

TO SPREAD THE benefits of growth more equitably and improve the quality of public services, the Common Minimum Programme promises to effect a major increase in government spending. A nation-wide employment guarantee programme, a step-up in public investment in agriculture, introduction of a national cooked mid-day meal scheme, expansion of child care services and a substantial rise in government spending on health and education are the main expenditure commitments. All these Central Government outlays will add up to between 5 and 6 per cent of the gross domestic product a year. However, other than a cess to fund universal elementary education, the charter of the United Progressive Alliance Government does not propose the levy of new or higher taxes. Yet any fear that these initiatives will lead to a populist splurge that will bankrupt the Central Government should be dispelled because the CMP simultaneously outlines a number of measures to boost revenue and mobilise funds for investment.

Fiscal fundamentalism, a good description of the excessive focus on the fiscal deficit, has meant that little attention has been paid over the past decade to the gap in the Centre's revenue account. The new Government promises to close the revenue deficit and thereby release resources for capital expenditure. This will be possible only if there is a major increase in the Central Government's tax-GDP ratio that now stands at a mere 9 per cent. A major failure of the post-1991 fiscal reforms has been the inability to prevent a downward slide in the tax-GDP ratio, let alone pull it up to levels found elsewhere in Asia (as in Malaysia where it is as high as 19 per cent). The Manmohan Singh Government does in fact pledge to reverse this trend by broadening the tax base, increasing compliance, and improving administration. None of

this will mean a heavier burden on the taxpayer; what it will imply is a tightening of the noose around the tax evader. The CMP commits the new Government to the introduction of special schemes for unearthing black money, which could be another source of potential revenue. But if this means yet another amnesty scheme, it will be a pointless exercise that will also send out wrong signals. Other than making a one-off contribution to government revenue, tax amnesty in effect rewards the guilty and penalises the honest citizen. Since 1991 there have been three such schemes and yet the black economy has continued to thrive. The underground can be controlled only if there is sufficient political will to back a drive by the tax authorities to check evasion.

Equally challenging, because it implies confronting foreign capital, will be implementing the CMP's promise to end abuse of double taxation agreements. From instruments to introduce consistency in taxation of foreign investors, these bilateral treaties — in particular the pact between India and Mauritius — have turned into convenient tools for tax avoidance. Notwithstanding the recent Supreme Court judgment giving precedence to such agreements over national laws, there is a strong case for interpreting existing treaties and perhaps even renegotiating them so as to close loopholes that enable investors in third countries to take advantage of zero tax regimes in some countries (notably Mauritius) to channel investment into India. This will a priori reduce the inflow of certain forms of foreign capital into the country. But ending abuse will have a twin beneficial impact on the economy and government finances. Speculative funds that can wreak havoc in the stock market will stay out and the more stable capital that does come in to make long-term investment will pay tax like all domestic entities.

# Cabinet chop ends with CPM sacrifice



Calcutta, June 2: Buddhadeb Bhattacharjee's cabinet has been right-sized.

ugh constitutionally I am the one gether with our partners and go

to decide the names, we do it to-

Party sources said the front was initially in favour of dropp

by the decision of the front.

sent to the governor for his approval," Bhattacharjee said. "Tho-

nounced that two CPM ministers ent an amendment to the peo-The chief minister today an- Dhiren Sen and Anju Kar would be sacrificed to implemple's representation act that stip ulates that the strength of a min istry cannot exceed 15 per cent of

Yesterday, the Forward Bloc's Kalimuddin Shams, the minister for food and civil supplies, and the RSP's Amalendra Roy, minister for irrigation and waterways, stepped down. the Assembly's.

minister for minorities' affairs, quit after being elected to the Earlier, Mohammad Selim

ed the matter and suggested the "The Left Front has discuss Lok Sabha.

tion process might have left many districts bereft of a minister, but we have to keep in mind the question of age and health of the ministers." Sen and Shams are both ailing and have not been attending office regularly.

Mahila Samity, the CPM's was taken despite pressure from the Paschimbanga Ganatantrik The decision to drop

ing CPM ministers of state Susanta Ghosh and Narayan Biswas, but decided on Sen and Kar after

Sen was keen to relinquish his post on health grounds. Kar was dropped to reduce the

a second round of discussion.

number of ministers from Burd

minister of state for municipal affairs, need not be offered to others as Suriya Kanta Mishra The portfolios of Sen, minister of state for panchayat and rural development, and and Asok Bhattacharya already in charge of women's wing departments.

tioned that the remaining de-partments — vacated by the other ministers — would be of-The chief minister men-

Asked why Sen was dropped

dhury and Nisith Adhikary

as it would mean no ministerial representation from Birbhum

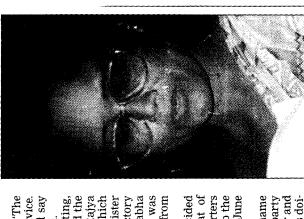
ministers — Nirupam Sen, Mri-

With Kar out of the government, Burdwan will still have four nal Banerjee, Bansagopal Chow-

Pranab Mukherjee's victory from Jangipur Lok Sabha constituency. Mukherjee was Left Front has offered its advice. However, I will decide and say chairman Biman Bose said the CPM will contest the Rajya Sabha seat from Bengal which fell vacant after defence minister elected to the upper House from After the front meeting that in a day or two," he said.

this afternoon. Elections to the to contest the vacant seat of Mukherjee," Bose told reporters "This time, we have decided Rajya Sabha will be held on June Bengal in 1999.

of Chittabrata Majumdar, party CPM insiders said the name central committee member and Citu general secretary, was doing the rounds as a possible can-21, he added



Kar

#### Indo-Bangla ties get fresh impetus

TIMES NEWS NETWORK

New Delhi: In the first major shift in foreign policy effected by the Manmohan Singh government, India on Tuesday declared its willingness to work closely with Bangladesh to resolve all outstanding problems directly at the ministerial level, without recourse to the pressure tactics of note verbales and demarches favoured by the Vajpayee government.

At a joint press interaction, a visibly upbeat external af-

fairs minister, Natwar Singh, and his Bangladeshi counterpart, Morshed Khan, declared that it was time to leave the negative experiences of the past 32 years behind and deal with the new challenges being thrown at the two countries in a spirit of "friendship and mutual understanding".

Khan has come to Delhi as a special envoy of Bangladeshi PM Khaleda Zia with a mes-Natwar Singh sage of greetings for Prime Minister Manmohan Singh. On Tuesday evening, he met the PM as well as Congress president Sonia Gandhi. Khan's visit is a reprise of the visit to Dhaka of Brajesh Mishra as special

envoy shortly after Zia became PM.

The tone and tenor of the interaction between the two ministers suggest that the bitterness and rancour, which had crept into relations with Dhaka these past few years and generated frequent accusations that Bangladesh was fostering "anti-India activities," might now be left behind.

To a certain extent, the Vajpayee government's Dhaka policy was a prisoner of the political discourse of the BJP, which looked at Bangladesh and Bangladeshis as "Islamic extremists" and "infiltrators".

Natwar Singh said that in his discussions with Khan, "every issue was discussed—the transit question, removal of non-tariff barriers, interlinking of river waters, insurgent groups, the Chittagong arms seizure." All this was discussed in a friendly manner, he said. "On con-

tentious issues, you are free to ask questions and we are free not to answer".

Whatever differences there are between the two countries, said Singh, "whether it relates to terrorists, on interlinking of rivers or on separatist activities going on in Bangladesh and here... we have both agreed that if any mishap occurs, we will immediately get on telephone and talk to

each other"



var Singh M Khan

Khan said that the two sides had decided that bilateral relations should not be a victim of politics. "Without excluding the media, we have agreed to play the game in total harmony". Singh said that if questions were raised in Parliament about the government's new approach, these would be answered fully bearing in mind the importance of not adversely impacting on bilateral relations and "without in any way sacrificing our mutual vital national interests".

THE TIME SEEF INDIA

## No troops to Iraq, no strings to Pak Non-alignment to Palestine, new Foreign

Minister talks language not heard in 5 yrs

JYOTI MALHOTRA
NEW DELHI, JUNE 1

P. P. P.

XTERNAL Affairs Minister K Natwar Singh today sought to put a personal stamp on the country's foreign policy by indicating that India would not send troops to Iraq and that a solution to the Palestine imbroglio without Arafat was unrealistic. Singh also placed a high premium on relations with the Islamic world and granted a carte blanche to Pakistan to discuss "whatever it wants", be it Kashmir, nuclear issues or even terrorism.

At his maiden press conference after the regime change in New Delhi, Singh announced that nuclear talks with Pakistan would be held from June 19-20, to be followed a week later by a dialogue at the Foreign Secretary-level from June 27-28.

Spread across an hour, the Foreign



Minister's remarks were peppered with phrases that hadn't been heard in New Delhi for the last five years, and which many had thought had been buried along with the Cold War. As Singh admitted, he was from a different era and had returned to a different Foreign Office after 15 years.

To begin with, he drew a clear line between the non-aligned movement and "non-alignment", pointing out

CONTINUED ON PAGE 2

### to Iraq, no

diplomatic relations with Israel in 1992. He added that New Delhi valued its relations with Isreal, "but not at the expense of sacrificing the legitimate rights and aspirations of the Palestinian

Clarifying his position on the Israel-Palestine issue, Singh said, "What we are saying is that what is happening in the Palestinian territories is unacceptable." He pointed out that even Washington had criticised the stalling of the roadmap by the Sharon government. "To expect to find a solution without Arafat" was neither feasible nor practical, he added.

In fact, Singh spent a large part of the conference defending his views on Pakistan since he took over. He reiterated that the Shimla agreement was the bedrock of the bilateral relationship, though the new government would abide by all agreements signed since. "We can't forget the past, but neither can we be prisoners of the past," he said.

#### ADVANI ELECTED OPPOSITION LEADER

#### Complacency ruined us: Atal

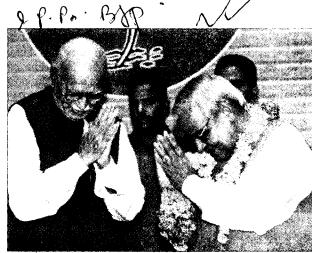
Statesman News Service

NEW DELHI, June 1. — Mr Atal Behari Vajpayee today identified "complacency and over-confidence" as the reason for the BJP's defeat in the polls and stressed the need for the party to introspect over the debacle. He denied that the Gujarat riots were responsible for the defeat.

The former Prime Minister, elected chairperson of the BJP Parliamentary Party, also pin-pointed another reason for the defeat: the party's failure to identify its rival. "While in the battlefield the enemy is always identified, it was not so in this case," he said, apparently referring to the BJP's strategy to gain advantage by projecting the contest as between Mr Vajpayee and a question mark.

However, both Mr Vajpayee and the newly-elected Opposition leader in the Lok Sabha, Mr LK Advani, sounded confident that the NDA would not remain in Opposition for long.

Mr Vajpayee said all allow us to sit for so long?" newly-elected MPs should Even a section of Cong-



MUTUAL ADMIRATION: Mr Atal Behari Vajpayee and Mr LK Advaniat the BJP Parliamentary Party meeting on Tuesday. - PTI

work hard to ensure the party's victory in the next polls. "We'll come back. We've to come back. The need of the hour is to think how to accomplish this." He asked the party to undertake regular mass contact programmes.

Mr Advani, who today became the Opposition leader for the second time after 1993, described the poll result as the biggest setback. Apparently hinting at an early poll, he said: "We're ready to sit in Opposition for five years. But will the ruling alliance allow us to sit for so long?" Even a section of Cong-

ress leaders are worried about the longevity of the new government. Mr Advani reportedly small.

Taking a cur flora Mr Vajpayee, BJP president. Mr M Venkainh Naidu promised "honest introspection".

Mr Jaswant Singh was elected the party's leader in the Rajya Sabha. Mr VK Malhotra and Mrs Sushma Swaraj are deputy leaders in the Lok Sabha and the Rajya Sabha respectively. Maj-Gen (retd.) BC Khanduri was appointed chief whip in the Lok Sabha and Mr SS Ahluwalia in the Rajya Sabha.

#### গুজরাত নয়, ভুলু নীতিই হারের কারণ: অটল

স্টাফ রিপোর্টার, নয়াদিল্লি, ১ জুন: গুজরাত দাঙ্গার প্রতিক্রিয়াতেই লোকসভা ভোটে বি জে পি হেরেছে, দলের ভিতরে ওঠা এমন গুঞ্জনকে নাকচ করে দিলেন খোদ অটলবিহারী বাজপেয়ী। আজ বি জে পি সংসদীয় দলের চেয়ারম্যান নির্বাচিত হওয়ার পরেই তিনি বললেন, গুজরাত নয়, হারের প্রধান কারণ দলের ভ্রাপ্ত নীতি। ভোটযুদ্ধে শক্র চিহ্নিত করতেই ব্যর্থ হয়েছে দল।

এর পাশাপাশি, অটলের ভবিষ্যৎবাণী, অদ্র ভবিষ্যতেই বি জে পি আবার ক্ষমতায় আসবে। বিরোধী নেতা নির্বাচিত হওয়ার পরে লালকৃষ্ণ আডবাণীও এ দিন একই সুরে

বলেছেন, তাঁরা খুব বেশি দিন বিরোধী আসনে থাকবেন না। বি জে পি-র দুই শীর্ষ নেতারই যুক্তি, অচিরেই কংগ্রেসের সঙ্গে শরিকদের প্রবল বিরোধ বাধবে। সরকার পড়ে যাবে। এবং বি জে পি -র সামনে সরকার গড়ার সুযোগ এসে যাবে।

লোকসভা ভোটে বি জে পি-র ভরাডুবির জন্য দলের বেশ কিছু নেতা গুজরাতের মুখ্যমন্ত্রী নরেন্দ্র মোদীকে দায়ী করেছেন। তাঁদের সুরে সুর মিলিয়েছেন চন্দ্রবাবু নায়ড়ু ও মমতা বন্দ্যোপাধ্যয়ের মতো শরিকেরা। বাজপেয়ী কিন্তু আজ সেই পথে হাঁটেননি। বরং গুজরাত দাঙ্গার পরে যাঁকে রাজধর্ম পালন করতে বলেছিলেন, এ দিন প্রকাশ্যে তাঁর বিরুদ্ধে মুখ খোলেননি প্রাক্তন প্রধানমন্ত্রী। উল্টে তিনি বলেছেন, "হারের অনেক কারণ থাকতে পারে। কিন্তু হিংসা কোনও কারণ নয়।" আডবাণীর মতো 'ফিল গুড় বা ইন্ডিয়া শাইনিং' প্রচারকেও দায়ী করেননি

বাজপেয়ী। বরং কোনও রকম রাখঢাক না করে দলীয় প্রচার কৌশলকে কাঠগড়ায় দাঁড় করিয়ে তিনি বলেছেন, "যুদ্ধক্ষেত্রে শত্রুকে আগ্নে চিহ্নিত করতে হয়। কিন্তু আমাদের ক্ষেত্রে সেটাই হয়নি।" বি জে পি-র প্রচারের অন্যতম বিষয় ছিল, 'বাজপেয়ী বনাম প্রশ্নচিহ্ন'। বিরোধীদের মধ্যে কে প্রধানমন্ত্রী হবেন, সেটা ঠিক না করায় বি জে পি এই প্রচারই করেছিল। এখন বাজ পিয়ী মনে করছেন, হারের কারণ সেটাই। রাজপেয়ী বলোছন, "পবিস্থিতি অনুকল ছিলু উৎসাহ ছিলু। ত

বাজপেয়ী বলেছেন, "পরিস্থিতি অনুকূল ছিল, উৎসাহ ছিল। তা-ও সেই অনুকূল পরিস্থিতিকে ভোটে বদল করা যায়নি কেন, তা খতিয়ে দেখা দরকার। আর আডবাণী বলেছেন, হারের কারণ খুঁজতে কমিটি তৈরি করা হবে। এন ডি এ-কে মজবুত করার কথাও বলেছেন তিনি। এ ব্যাপারে কোনও অস্পষ্টতা না-রেখে আডবাণীর ঘোষণা, সব শরিককে নিয়েই চলা হবে। কী ভাবে জোট চালাতে হয়, তা বাজপেয়ী দেখিয়ে দিয়েছেন।

ভোটে হেরে যাওয়ার পরে চতুর্দশ লোকসভায় সত্যিই কি আবার সরকারে আসার স্বপ্ন

দেখছে বি জে পি? না কি, এটা সাংসদ এবং দলীয় কর্মীদের চাঙ্গা রাখার কৌশল? এর উত্তরে বি জে পি নেতারা বাজপেয়ীর বলা কথাটাই শোনাচ্ছেন, "পাঁচ সাল তক হাম লোগ বিপক্ষমে নেহি রহেঙ্গে।" কংগ্রেসই তাদের সেই সুযোগ করে দেবে বলে দৃঢ় বিশ্বাস বিজেপি-ব।

পরে বিষয়টি ব্যাখ্যা করে লোকসভায় দলের সহ নেতা বিজয়কুমার মলহোত্র বলেন, "কংগ্রেস জোটের মধ্যে লড়াই শীঘ্রই শুরু হবে। তখন কী পরিস্থিতি হবে, তা আমরা জানি না। সে সময় সরকার গঠনের সুযোগ আসতে পারে বলে বাজপেয়ীজি মনে করেছেন।" কিন্তু একই ধরনের জোট তো এন ডি এ-রও ছিল। তখন তো কংগ্রেসের সামনে সরকার গড়ার সুযোগ আসেনি। তা হলে এ বারই বা আসবে কেন? মলহোত্রর সাফাই, "আমাদের জোটের আসন সংখ্যা

র। — পি টি আই

মলহোত্রর সাফাই, "আমাদের জোটের আসন সংখ্যা
ছিল ৩০৯। আর ওদের তো মাত্র ২১৮।"

নবনির্বাচিত সাংসদদের বাজপেয়ী বলেছেন, নব্বই জন সাংসদ হেরে গিয়েছেন। আবার
পাঁচ-ছয় বারের সাংসদ জিতেছেন। নতুন সাংসদরা এখন থেকেই নির্বাচন কেন্দ্রে কাজ শুরু
করে দিন। আর বেক্কাইয়া নায়ডু জানিয়ে দিয়েছেন, বিধানসভা ভোটের জন্য এখন থেকেই
কর্মসূচি গ্রহণ করা হবে। বাজপেয়ীরও পরামর্শ, সারা বছর ধরে কর্মসূচি নেওয়া উচিত।



বিজেপি সংসদীয় দলের চেয়ারম্যান নির্বাচিত হওয়ার পরে বাজপেয়ীকে অভিনন্দন আডবাণীর।— পি টি আই

# did us in, says Ata Overconfidence (

New Delhi: In his first public comments on the BJP's ha elections, former Prime could be among the causes Gujarat violence as having payee said that "complacenshock defeat in the Lok Sab-Minister Atal Bihari Vajfor the debacle but ruled out and "overconfidence"

be one of the causes of the after the first meeting of vani as its leader and him defeat," he told reporters the BJP parliamentary party which elected L K Ad "Overconfidence could had anything to do with it.

90 sitting MPs of the party link to violence," Vajpayee to be found though it has no "Defeat is an issue for which reasons would have as chairman.

whether violence in Gujarat was one of the causes another factor responsible for the setback was "failure who addressed the MPs said said replying to a question for the debacle. Vajpayee,

fied, it was not so in this to identify the rival". "While in the battlefield, case," he said apparently ty's campaign planks "Vajversus question the enemy is always identireferring to one of the parpayee

mentary party on the eve of the 14th Lok Sabha's opening session starting on meeting of the BJP parlia-Wednesday, Vajpayee said Speaking at the first

long the government headwould last, Vajpayee quipped, "I don't want to be in the opposition for five ed by Manmohan Singh

Asked whether he did not opposition, he said "bahut ko sambhalney do (I have done enough, now let Advani take charge)." want to be the leader of the sambhala hai, ab Advaniji

On Congress president Sonia Gandhi not accepting "Everyone knows my opinion on this. She ought not to have taken prime ministership, Vajsaid. payee

To another question if he was annoyed with party colleagues Sushma Swaraj, To a question as to how

tions". Agencies

sure her head if Sonia became PM, and Uma Bharati, who had handed in her resignation from chief ministership of Madhya the former PM said, "It is who had threatened to ton-Pradesh to BJP president

wanted the peace process to through statements, but through serious consulta-On the Indo-Pak peace though he (Pervez) had not continue at the same pace as before. "Both sides should refrain from makcy cannot be carried on talks with President Pervez made any complaints, he ing statements as diploma-Musharraf, he said al an old issue now."

years.

need for the newcomers to showed that "there was learn lessons from this". had lost the election while served five to six terms there were others, who had have been returned.

# Tainted ministers put UPA govt in a quandary

Our Political Bureau
NEW DELHI 1 JUNE

HE shadow of tainted ministers appears to be lengthening visibly on the Manmohan Singh government on the eve of the first session of the 14th Lok Sabha. At a meeting of the NDA here, the Opposition on Tuesday decided to approach the President with its demand for removing tainted ministers.

After a meeting of the NDA leaders here, alliance convenor George Fernandes told reporters that an appointment with the President would be sought on Wednesday. To a question whether the NDA had decided to boycott "tainted" ministers in Parliament as the Congress and Left parties had done in the case of Mr Fernandes, as defence minister, in the wake of the Tehelka expose, he said: "We do not follow the culture of the Congress and the Marxists."

This will no doubt inconvenience the new government, particularly Dr Manmohan



MANMOHAN: UNDER FIRE

Singh, as in a coalition arrangement, the Prime Minister has little space to decide on his ministerial team. Apart from Laloo Prasad Yadav, who is on bail, the RJD team includes members with criminal antecedents like Prem Chand Gupta, Mohammad Taslimuddin, M.A.A. Fatmi and Jayaprakash Yadav.

ET had last week reported that the enforcement directorate (ED) had, on November 12, 2003 asked the new company affairs minister, Mr Prem Chand Gupta, to pay a penalty

of Rs 10 crore for foreign exchange violations.

Taslimuddin is a habitual criminal whose offences range from extortion, cheating, rape, dacoity and attempts to murder. As a matter of fact, a report of a legislative committee of the Bihar Assembly had recorded cases against Taslimuddin. His colleague Jayaprakash Yadav had to quit as a minister in the Bihar government after the state vigilance department unearthed his role in the BEd

Although the Congress has been defending itself against the charge of running a government with tainted leaders by citing coalition compulsions, there have been protests from within the ruling alliance. It may be recalled that the CPI has gone on record to say that tainted leaders should not be part of the government.

The NDA can also count on the support of the Samajwadi Party (SP) against the tainted ministers. The SP has said it will demand their removal on the floor of the House.

TON YOUR

# Towards a joint endeavour secondition has er at the Centre J.N. DIXIT sentative in chanced members are the Centre of the Centr

he Congress coalition has come to power at the Centre after a gap of eight years. Foreign and security issues were not as important when the country was in an election mode as issues related to governance. economic development and internal. national and regional concerns. Nevertheless, it is pertinent to bring back to public attention the Congress's agenda on foreign policy and national security issues subject to consultation with its allies and supporters. Safeguarding India's territorial integrity and unity against overt or covert external aggression is the supreme responsibility of the government. Fashioning clear defence policies with precise consensus in priorities is required for the

The Congress will specially implement the recommendations made by the reforms and reconstructing of defence organizations and the armed forces of the country. The Congress will integrate the defence ministry with the headquarters of the three services (army, navy and the air force) with uniformed officers being given a participatory role in the formulation of defence policies and the higher management of national security.

The Congress will allocate necessary financial resources for the defence of the country, including special allocations for research and development and modernization of defence technology for the country. The functioning of the Defence Research and Development Organization will be reviewed so as to impart a new element of dynamism. The Congress will take necessary steps to fine-tune the higher command for India's nuclear and missile capacities. The Congress will safeguard and maintain these capacities at the appropriate level in the context of the changing security environment, particularly in the Asian region.

he Congress will improve the terms of service and serving conditions of the armed forces personnel. The Congress will also give special attention to the resettlement and welfare of retired personnel from the armed forces of the country and their families. A separate department of ex-servicemen's welfare will be established in the ministry of defence. The Congress will attend to organization problems, which have for long affected the armed forces, and will take purposive action to resolve these problems in terms of recruitment, ensuring appropriate levels in the armed forces establishments. The Congress will rationalize the salary and pension payments to the armed forces with the objective of maximum benefits to armed forces personnel.

the purely military context. It has po-

The Congress perceives national security not within the narrow prism of litical economic, social and developmental dimensions. The Congress will implement a comprehensive multi-dimensional national security policy, which will cover vital aspects of energy security, food security, good governance and countering centrifugal trends affecting the country.

The institutional arrangements made by the Bharatiya Janata Partyled National Democratic Alliance government have been cosmetic. In substance, national security is not underpinned by structured and systematic institutional arrangements. The national security council which was established since 1999, has not functioned with institutional cohesion. Important national security decisions have been taken in an ad hoc manner involving just a few individuals without utilizing the cabinet committee on security, the security policy group, (comprising key secretaries, service chiefs and heads of intelligence agencies) and officials of the National Security Advisory Board

The Congress will institutionalize regular meetings of the cabinet committee on security. It will ensure systematic and institutional interactions between the national security advisor, the strategic policy group and the NSAB. The Congress will ensure necessary connectivity between the intelligence agencies of the government of India and the NSAB as well as between the intelligence agencies and the ministry of defence and external affairs.

The Congress will undertake periodic functional audit and reforms of various institutions responsible for national security. In particular, it will undertake a restructuring of the intelligence agencies of the government of India to improve its human resource base with multi-dimensional expertise. It will ensure modernization of functional capabilities of the intelligence agencies with appropriate modern technological equipment and facilities. The recommendations made by the experts group to reform the intelligence agencies after the Kargil war, and which have been hanging fire for the last four years, will be speedily implemented. The Congress will ensure the efficiency and accountability of the intelligence agencies.

Terrorism and insurgency have emerged as serious security concerns in several parts of the country. The activities of extremist groups in the North-east and in the tribal regions of central India pose a serious challenge. The Congress will implement a comprehensive multi-faceted strategy to cope effectively with the twin challenges of terrorism and insurgency The national security network will be modernized and streamlined, paying particular attention to intelligencegathering, respect for fundamental rights and sustainable social and economic development which reinforce The most important task of the Congress would be to retain for India freedom of options in conducting its foreign relations in response to India's national interests in a world, which is in transition and ferment. This is the essence of India's foreign policy on which Jawaharlal Nehru built a national consensus, a consensus that has been eroded during the tenure of the BJP-led NDA government.

The Congress will fashion a foreign policy rooted in the abiding principles of equality among states, commitment to peace, attention to economic wellbeing and to the defence of the country. The Congress will infuse Indian foreign policy with political realism and areas. The Congress will improve and expand strategic relations between India, on the one hand, and the US, European Union, Russia, Japan and the ASEAN region on the other.

The Congress will give particular attention to fashioning a stable, working cooperative relationship with Pakistan under the framework of the historic Shimla Agreement of 1972 and subsequent agreements and confidence-building measures initiated by later Congress governments well upto 1996, while remaining alert to India's defence requirements, and being firm in responding to any threats emanating from Pakistan. Keeping in mind the special relevance of central Asia,

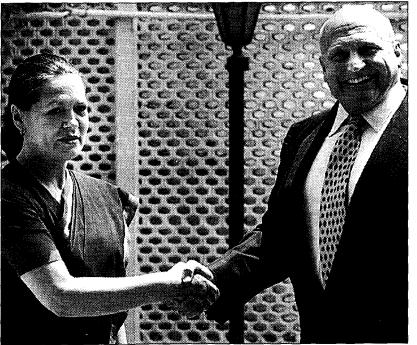
sentative in conformity with its enhanced membership on matters of high importance and priority. The Congress will forge purposeful consultations for this purpose with other member countries of the UN to meet these objectives.

The Congress will give the policy of non-alignment a new dimension, keeping in view political and economic changes that are taking place in our region and elsewhere. Management of India's relations with other nuclear weapons powers is an important task, given India's nuclear weapons and missile capacities. Special attention would be given to enhance India's credibility as a responsible nuclear weapons power and for forging equations with other such powers to stabilize the international security environment. The Congress will take the initiative to have credible, transparent and verifiable confidence-building measures in treaty-form to minimize the risk of nuclear and missile conflict with Pakistan and China. While doing this, the Congress remains committed to an agreement on a time-bound, non-discriminatory international agreement on elimination of weapons of mass destruction. The Congress will participate in consultations and negotiations to put in place effective international agreements for this purpose



The Congress will revive purposeful efforts to strengthen India's relations with other regional groups like ASEAN and the Asia-Pacific Economic Cooperation. The Congress will strive to create an international economic order in which the process of globalization under the World Trade Organization's arrangements will be devoid of aberrations that have characterized the process over the last decade. The effort would be to ensure that the orientations of the globalization process are also responsive to the requirements of development and distributive justice amongst the developing countries of the world.

The fundamental objective of India's foreign policy would be to safeguard India's security and vital strategic interests. The endeavour would be to form a national foreign policy based on informed national consensus, particularly on important issues of development, defence, nuclear issues and the requirements of a stable and



High priority

calibration making it responsive to the change in the international situation and global power equations. The Congress will attach the highest importance to fashioning equations between India and the major powers of the world, for mutual benefit, for tempering trends of unilateralism, and for creating a world order for maintaining equilibrium in international relations. The Congress will attach high importance to India's relations with the United States of America, the European Union, the Russian Federation, China, Japan and the countries of the Association of Southeast Asian Nations.

The Congress will strengthen and expand the activities of the South Asian Association for Regional Cooperation to make it an effective regional organization, serving the objectives of peace, stability and well-being of the people of the south Asian region. It will work towards the establishment of a south Asian parliament. It will take up major regional projects in water

west Asia and the Gulf, the Congress will work for enhanced cooperation in the political, economic and technological spheres with countries of these regions. The Congress will continue the process of normalizing, strengthening and expanding India's relations with China, which is the most important factor affecting Asian security and stability

The Congress will continue and increase the momentum of the initiative that the Congress government took between 1988 and 1996 to ensure a stable and mutually cooperative and beneficial relationship with China. The Congress will move forward purposively to resolving the boundary issue with China in a practical manner by systematic and continuous negotiations.

The Congress is deeply committed to the United Nations and its ideals and objectives. The Congress considers reforming the UN system, restoring its central role in the maintenance of international peace and security and in

The author is national security adviser to the government of India

# Public posturing not to help Indo-Pak talks

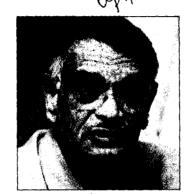
Nilova Roy Chaudhury in New Delhi

May 30. — One of the key elements of the historic 6 January 2004 India-Pakistan joint statement (after then Prime Minister Mr Atal Behari Vajpayee, met Pakistan President General Pervez Musharraf), was that officials of both countries would speak directly to each other and not through the media. For several months, as a roadmap for the composite dialogue process took shape and bilateral bonhomie progressed, that principal was largely adhered to.

However, since the UPA government has been in place, the volume of public posturing on bilateral affairs appears to be jeopardising the bonhomie and doesn't augur well for the talks.

The new external affairs minister, Mr K Natwar Singh, has repeatedly stressed on the Simla Accord's primacy in bilateral relations and, yesterday, spoke of the Sino-Indian model of relations as the way forward for ties with Pakistan.

To which Gen. Musharraf, in Islamabad, said if that meant a return to "the status quo" and the



'Ghavri test paces up arms race'

BANGALORE, May 30. — Observing that testing of nuclear-capable Ghauri (Hatf-5) missile by Pakistan was "escalating" the arms race, Union home minister Mr Shivraj Patil today said if the neighbour persisted with such tests, India would have to take note of it. "It (Ghauri test) is escalating the arms race," Mr Patil told reporters here.

Line of Control being made the border as the only option, it was "not acceptable."

There were reports earlier this week that Pakistan would need to make a fresh assessment of its India policy following the change of guard in Delhi, and that Islamabad was not sure whether the peace process would begin afresh or continue as agreed to by Mr Vajpayee and Gen. Musharraf.

Though he denied these remarks later, Pakistan's foreign secretary Mr Riaz Khokhar is reported to have told the Senate's Standing Committee on Foreign Relations: "We'll have to wait to see whether it would be a new beginning or continuity of the

ongoing process as the Congress leadership has not been referring to progress made beyond Simla Pact." Pakistani foreign office spokesman Mr Masood Khan was today quoted by agencies as having said that the "advisability" of modelling the Indo-Pak engagement along the lines of the Sino-Indian border dispute had "logical fallacies."

In a rejoinder to Mr Singh's reported statement on the Sino-India model, Mr Khan said: "The J&K dispute is not a border issue; it's not about empty spaces. It's about the aspirations and political future of the 13 million Kashmiris living in a territory that is roughly 85,000 sq miles."

## Dialogue with Pakistan will continue on all issues: Natwar Singh

By Mohammed Iqbal

JAIPUR, MAY 29. The External Affairs Minister, Natwar Singh, said today that the Government would continue the dialogue process with Pakistan on all issues, including Jammu and Kashmir, and maintain friendly relations with it on the basis of

the Shimla agreement.
"Both the Congress president, Sonia Gandhi, and the Prime Minister, Manmohan Singh, are of the opinion that the dialogue should cover all aspects of our bilateral relations," Mr. Singh said.

Addressing a felicitation function at the Pradesh Congress Committee headquarters here, Mr. Singh said the confidence-building measures with Pakistan would be "intensified and broadened" and guided by the Shimla agreement of 1972. If and all subsequent and all subsequent pacts and declarations.

Mr. Singh indicated that Ms. Gandhi might visit Pakistan soon on an invitation extended recently by the Pakistan President, Pervez Musharraf. "I hope Ms. Gandhi will go to Pakistan,' he said and pointed out that when Rahul Gandhi and Priyanka Gandhi went to Karachi recently to watch a cricket match between India and Pakistan, they were greeted by a 50,000-

strong crowd.
On Gen. Musharraf's recent observations over Mr. Singh's assertion that the Shimla accord was the "bedrock" of bilateral ties, he urged the Pakistan President to "consult his Foreign Minister."

Mr. Singh accused the former Prime Minister, Atal Bihari Vajpayee, of shifting his stand visa-vis Pakistan as many as five times and said he had made a complete u-turn on several oc-

"Our foreign policy has a distinct character of independence and national consensus. It was and national consensus. It was devised by none other than Jawaharlal Nehru and we have been following it since then," Mr. Singh said. Referring to the relations with the U.S., Mr. Singh said it was the biggest trade partner of India and home to several lakhs of Indian migrants. "Even if there are some differences, there is no scope for any confrontation with the U.S.," he said. As for relations with China, the Panchseel accord will be the guiding spirit.



# Govt. role as investment catalyst Good intentions by themselves will not

Programme of the new gov-

ernment at the Centre de-

detailed narration of plans for vari-

would expect, the thrust is on em-

On the industrial sector, the docu-

ment makes several promises, indi-

cating its good intentions. While

industrial policy happens to be the

critical area in which the coalition

The whole approach of the CMP of the new government does make

and the social sectors

THE COMMON Minimum greater focus on employment. The

parts significantly from of the 50 million job opportunities

similar exercises in the past. It focus- anticipated by the terminal year of

es on the priorities before the Gov- the Tenth Plan, 30 million have to

ernment, rather than making a emerge from growth buoyancy. This

ous sectors of the economy. As one focus significantly on growth in or-

ployment, followed by agriculture employment opportunities in the

partners and the supporting parties critical issues of economic policy

differ significantly, from the point of surface. Policies in the past depend-

earlier estimates of the Planning

Commission have indicated that out

indicates that the economy needs to

der to generate a desirable level of

coming years. The translation of the

relationship between growth and

employment to the operational

plane will, therefore, be the primary

While focusing on growth, some

task of the new government.

THE COMMON Minimum Programme, as announced by the United Progressive Alliance, is an important document that should in the normal course define the economic agenda over the next five years, till 2009. Given this background, it is worth exploring whether various aspects of the CMP make coherent economic sense.

The two key points to focus on are the desire to achieve an average growth rate of 7-8 per cent in the coming years, with the proviso that revenue deficit of the Central Government will be eliminated by 2009. As most of the Government's revenue expenditure including salaries, defence expenditure and interest payments cannot be brought down easily, the only way to eliminate revenue deficits by 2009 will be to improve tax collections. Increase in tax rates is not politically acceptable, hence improving compliance and introduction of a comprehensive value added tax will probably be the approach adopted by the new government. Of course higher GDP growth rates can improve tax collections. There is also a mention that black money will be targeted. There are various methods of tackling black money including conducting raids, encouraging voluntary disclosure and introduction of a comprehensive

One can expect a substantial portion of the improved tax collections to go towards decreasing revenue deficits, thus leaving little surplus for capital expenditure. Then how to achieve a 7-8 per cent average growth rate that will require an annual investment of over 30 per cent of GDP depending upon the incremental capital output ratio? In order to increase investment, the Government will mainly have to depend on public financial institutions and private capital both domestic and foreign. In the case of public financial institutions, the public sector banks and the Life Insurance Corporation are flush with funds and no new avenues to lend. Hence a dynamic government can act as a catalyst for investments.

There are also enough funds coming in from outside the country, led by NRI remittances as well as investments by foreign institutional investors. With an investment friendly climate enough money will be available. In this connection, the statement in the CMP regarding stoppage of misuse of Double Taxation Avoidance Agreements (DTAA) is uncalled for. There is no reason why government policy has to be dictated by the Sensex, but that does not mean that the ruling alliance needs to keep international fund mangers guessing about government policy. A buoyant stock market will enable both public and private sector companies raise funds for their projects, which any way cannot be funded in any substantial manner from budgetary resources.

An issue for banks is the capital adequacy norms in vogue. As banks have been cleaning up their balance sheets during the last few years, backed by the high returns from treasury operations, the capital adequacy ratios of most banks are above the minimum norms. Hence, this should not act as a constraint in the near future. However, in the event this becomes a constraint, public sector banks can approach the capital market to raise funds. The CMP allows them to do so till they reach the minimum government holding of 51 per cent. The 51 per cent. minimum holding by Government may not act as a constraint just now, but in future the situation may change. This is why it is necessary for foreign banks to be provided some leeway to operate in the Indian market. The proposals of the NDA Government regarding removal of 10 per cent ceiling of voting rights in private banks for foreign banks, allowing foreign banks to set up subsidiaries in India and similar enabling measures should be pursued.

#### FDI needs more active approach

The CMP fortunately does not discourage foreign direct investment. However, saving India wants FDI is a general statement: what is important are the steps that the Government will be willing to take to actually attract FDI. Here the left parties also need to show some restraint with their statements. FDI brings not only money but also technology management expertise and access to foreign markets.

Another constraint that the CMP imposes on the Government is the decision not to make strategic sales in profitable PSUs and also not to bring down the Government's stake to below 51 per cent. This is a complicated issue. Generally, privatisation improves productivity and profitability. Even if it is intended to sell the large public sector units to the Indian private sector, there are just a handful of private sector groups that can buy these units. Already these groups are becoming too powerful in the absence of proper competition

#### PSU shares to the public

preferable A better approach will be to divest shares in PSU to the general public and allow these companies to become large publicly held shareholdings by banks, insurance companies, FIIs and mutual funds. This will also allow them to have managerial autonomy. Allowing them to remain in the public sector probably destines a number of them to a slow death. Governments usually promise autonomy but in practice in India they remain handmaidens of the politicalbureaucratic nexus. There is no particular reason to believe that this time it will be different, except perhaps for the new guiding light in the form of the Prime Minister

#### Funds for agriculture, infrastructure

Large investments are proposed in agriculture and infrastructure. While investments in the

agricultural sector will mainly have to be funded out of the budget as well as rural lending by banks, infrastructure can be funded from non-government resources. Given the large foreign exchange reserves. increased capital goods imports will not pose a problem. However, substantial increase in lending by banks in areas like infrastructure and agriculture will entail enhanced risks. Infrastructure investments have offtake risks which can be mitigated by independent regulators. Prices of agri commodities are extremely important to farmers as they will justify higher investments. It is not easy to ensure this in India.

economic sense but marks no major changes in sectoral policies. An advantage is the absence of financial constraints but major implementation issues will pose problems, according to the authors.

There are several proposals to co-opt the needy into the development process. The fate of the NDA Government has convinced the new Government that the votes of the poor also count. The proposal to levy a cess on Central taxes to fund education is welcome. Similarly, with the high level of foodgrain production, enhanced food-for-work programmes are necessary. This will also imply investments in rural infrastructure. The proposal to increase Government spending on health to 2-3 per cent of GDP is unexceptionable. However, the Government cannot increase expenditure on such schemes in any significant manner without improvement in revenue collection given the imperative of removal of evenue deficits by 2009.

So, to put the various CMP proposals in perspective, the whole approach does make economic sense, except for a few aberrations. Major implementation issues relate to controlling revenue expenditure, increasing investments in infrastructure along with containing offtake risks, transferring resources to the poor in the form of food-for-work programmes, primary and secondary education, health services and targeted subsidies, improving tax collection through improved compliance and imposition of VAT, attracting foreign investments to meet the domestic resource gap and allowing profitable and large PSUs to function with autonomy. This is quite a list. Good intentions have to be followed up with good implementation.

The advantage that this Government has is that the system is flush with liquidity; hence funds are not a constraint. Also, in the modern globalised world, accessing technology is not a constraint any more. The macro-economic situation is generally good, except for the fiscal deficit position. To reiterate, the litmus test will be good governance.

Abhijit Roy continue. Investment analyst

view of effectiveness of policy formu- ed heavily on disinvestments, FDI lation and implementation, one and service exports. These three ar-

indications. limited resources and a large numernment. therefore, are to bring down the high revenue deficit from its present highachieve a higher growth rate of 7-8 per cent in a sustained manner. Industrial output registered an increase of 6.9 per cent during 2003-04, making it the best performance in eight years. But such a high growth rate, by itself, is not enough.

CMP in overall terms by giving much icy attention to manufacturing com-

expect clearer policy eas have become areas of intense scrutiny in the new policy environ-The basic economic problem — of ment. Disinvestments as a means of resource mobilisation cannot be reber of demands — haunts the Gov- lied upon significantly. The tempo of immediate FDI, especially financial capital inimperatives of economic policy, flows, is likely to come down. Business process outsourcing and manpower exports, other things beer level of Rs. 99,860 crores and to ing equal, are likely to be a major years.

The document of the United Progressive Alliance, however, tries to correct an area that was much neglected in the past couple of years. The manufacturing sector had re-The issue of jobless growth, which ceived only limited attention in rethe economy had marked since cent years due to the dominant role 1993-94, has been addressed by the of the services sector. A concrete polpetitiveness through a national Manufacturing Competitiveness Council may be beneficial in the long run, considering India's relative advantages in the sector as compared

'Good intentions by themselves will not help'

to many other countries. Regarding the role of the SSI sector, the CMP does not seem to be clear. The Nehru era had produced a sound articulation of the role of small industry. But this dynamic sector became a victim of competitive populism since the late 1960s. Though the CMP elaborates on areas such as technology, investment and marketing support and the easing of Inspector Raj, it does not seem to offer a policy departure from the bea-

ten track. The proposal for a National Employment Guarantee Act is in the right direction. However, it is just an extension of the old Employment Guarantee Scheme of Maharashtra and the early employment pro-grammes of the Ministry of Rural Development.

Operating between two extremes. that is, the urge for growth and the need to assure welfare, one of the best possible options before this Government is to plan the development of the unorganised sector on scientific lines, because it is this sector that provides 59 per cent of the GDP and 92 per cent of employment opportunities. But to do that, the imperative is to make this sector more transparent and accountable.

While a National Manufacturing Competitiveness Council may help monitor the performance and needs of the organised industrial sector, for the unorganised sector no such regular mechanism has been offered. On the other hand, it has been proposed to establish an ad hoc National Commission to examine the problems facing enterprises in the unorganised and informal sectors and to make appropriate recommendations.

Going by past experience, the setting up of ad hoc committees and

substantial positive results, as their recommendations often remain unimplemented. The proposed revamping of the Khadi and Village Industries Commission, if implemented, can lead to positive results. But one cannot expect any radical change because the political compulsions are likely to be much more

deep-rooted. The experience of public policy, as it relates to employment generation in the country so far has not been encouraging though several new programmes have been announced by the Prime Minister and the various Ministries from time to time. Degood intentions. implementation remains far from satisfactory. There is no monitoring mechanism that will help assess the actual employment impact of programmes, except for some norms or parities used by the ministries or departments concerned. It is such anomalous situations that need to be corrected first.

#### Active labour market vital

If employment generation on a massive scale is the thrust, one should start with an active labour market policy. Opportunities for capacity building should be assured. This will be a major step towards achievement of item No. 6 of the basic principles of governance outlined in the preamble of the CMP, namely, 'to create the energies of our entrepreneurs...

All these demand an active labour market policy which India is yet to evolve. For a meaningful programme for sustainable employment generation, there should be a permanent mechanism for coordinating and overseeing all such programmes.

> P. M. Mathew (Director, Institute of Small Enterprises and Development. He can be contacted at: ised@md2.vsnl.net.in

#### 'No major policy change likely'

generalised statement that any specific line of action. Let us take election campaign — disinvestment, privatisation and agriculture.

#### Disinvestment

On the question of disinvestment, the CMP states, "Profit making PSUs will not be privatised, generally.' What is the need for the appendix, 'generally'? It seems to be a very significant and late addition.

Again, what is meant by privatisation? A PSU can become a private disinvests more than 50 per cent of is given away and a nominal admintermed as selling family silver, can

It is also stated that the profit mak-sources at reasonable cost.

THE COMMON Minimum ing public sector undertakings will Programme appearing in the be allowed to raise resources from papers today is a lengthy, the capital market. What kind of resources, it is not clear. If they are aldoes not commit the Government to lowed to raise the additional capital required, it will automatically reduce the three main issues on which the percentage holding of the Govmuch heat was generated during the ernment in these undertakings. While it is technically different from disinvestment, it is not so actually.

Selling family silver is in itself not bad. It can be a good proposition if the cash received from sale is used for generating more wealth. Take the case of LIC of India. It has a huge volume of hidden, idle wealth like family silver. It can be utilised to generate more wealth for the nation. This idle wealth, known as the embedded value, is the discounted valcompany only if the Government ue of future profit flow. This year, the Government will be getting Rs. 500 its holdings or hands over adminis- crores as dividend and this will be trative control to a private group. If increasing by not less than 10 per less than 50 per cent of the holdings cent each year. If 20 per cent of the Government's holding in the LIC is istrative control is retained, it cannot offered to the general public, the be called privatisation. So, massive money raised can not only help the disinvestment, that has come to be corporation in creating an explicit reserve, but also enable the Government to have ready access to re-

The statements in the CMP are delightfully vague and give no clear commitment on any aspect. This vagueness seems deliberate and appears to be just the strategy to give the new government a free hand and enable it to follow the policy of its predecessor in the matter of disinvestment. The shock treatment given by the stock market on May 13 has certainly vielded results and brought down even the marxists to earth.

With the unanimity of view among all political parties regarding disinvestment (irrespective of their public posture), one can expect the process to gain momentum in the coming months. Whether it is good or bad for the country will depend on the way the money earned is spent.

A notable omission in the CMP is moving or reducing many of the agricultural subsidies. It never realised India is not even a fraction of that given in the U.S. and Europe. In the case of power supply, the amount of

power lost due to an inefficient transmission system may be higher than the free power supply to agriculture. Instead of spending on infrastructure development and improving efficiency, it tried only to reduce expenses by cutting subsides. This resulted not only in hardships to farmers but also in slowing down job creation.

The CMP is also silent on the issues of subsidised fertilizer and power supply. On the subject of protection from global competition, emphasis is laid on protection when international prices fall sharply and is a little vague regarding protection against systematically subsidised prices of some countries

On the whole, if the CMP is any indication, the change in governthe policy on agricultural subsidy. Its ment will not bring about any major agriculture policy was one of the ma- change of policy. The investors need jor reasons behind the debacle of BJP not therefore harbour any apprehenin the last elections. Under pressure sion. After the presentation of the from western countries, it began re- budget, they can certainly see the stock market bouncing back to life. Provided, of course, none of the coathat the amount of subsidy given in lition partners changes its stance in the mean time

R. Ramakrishnan

# Text of Common Minimum Programme: full version

In the text of the Common Minimum ry legislation and by enacting new ahead of the passage that deals with the ogramme of the United Progressive Al-legislation that gives women, for in-restructuring of the National Integration Anance based on self-help groups, parlumns yesterday, in the section titled sets like houses and land. "Women and Children," a paragraph was missed inadvertently. The section is re-Programme of the United Progressive Alliance that was published in these coproduced in full here:

# Women and Children

VA

The UPA Government will take the third reservation for women in Vidhan to introduce legislation for one-Sabhas and in the Lok Sabha. Legislation on domestic violence and against gender discrimination will be enacted.

The UPA Government will ensure that least one-third of all funds flowing into panchayats will be earmarked for programmes for the development of women and children.

ised.

The UPA Government will protect the rights of children, strive for the elimination of child labour, ensure facilities for schooling and extend special care to the

> Village women and their associations llity for all development schemes relatprimary education, health and nutrition. will be encouraged to assume responsibdrinking water, sanitation, 2

Complete legal equality for women in ity, especially by removing discriminatospheres will be made a practical real-

section titled "Social Harmony, Welfare of Minorities" were also missed. This section

Another five paragraphs that formed a

uled Castes, Scheduled Tribes" but just

came soon after the section titled "Sched-

Council, which is reproduced here too. stance, equal rights of ownership of as-

# Welfare of Minorities Social Harmony, ✓ The UPA Government will bring about

cial Provisions) Act, 1992. On Ayodhya, it will await the verdict of the courts, while ment, which must, in turn, receive legal mentation of the Places of Worship (Spe-The UPA is committed to the impleencouraging negotiations between parties to the dispute for an amicable settlesanction.

> The UPA Government is committed to cess that some southern and other States have had in family planning. A sharply targeted population control programme fertility districts. The UPA Government

If fragile areas of the country.

replicating all over the country the suc-

will be launched in the 150-odd highrecognises that States that achieve success in family planning cannot be penal-

The UPA Government will enact a communal violence and encourage each State to adopt that law to generate faith model comprehensive law to deal with and confidence in minority communities.

Constitution to establish a Commission for Minority Educational Institutions The UPA Government will amend the that will provide direct affiliation for minority professional institutions to central universities. The UPA will promote modern and technical education among all minority communities. Social and economic em-

powerment of minorities through more systematic attention to education and employment will be a priority concern for the UPA.

Commission to see how best the welfare sections among religious and linguistic minoríties, including reservation in edu-The UPA will establish a National of socially and economically backward cation and employment, is enhanced. The Commission will be months to submit its report.

the National Minorities Development Corporation to ensure its effective func-Adequate funds will be provided tioning.

The UPA Government will examine the question of providing constitutional motion of Urdu language under Article status to the Minorities Commission and will also strive for recognition and pro-345 and 347 of the Constitution.

The National Integration Council will be restructured and revived so as to fulfil its original objectives. It will meet at least

.com and at www.hindugrouponnet.com On the websites, at www.hinduonnetthe full version appears now. CHIDAMBARAM TO MEET SEBI HEAD

# Stocks tumble as FM talks reforms

Statesman News Service

NEW DELHI, May 28. — Soon after finance minister Mr P Chidambaram reiterated the UPA government's commitment to reforms today, the capital market nose-dived as the unclear Common Minim-

um Programme strengthened fears of a slowdown in the pace of reforms.

The Sensex crashed by 223 points, wiping out over Rs 51,000 crore of investors' wealth on a cross-the-board sell-off by investors. Power as well as PSU and banking sectors bore the brunt of the sell-off, registering huge losses.

Mr Chidambaram will visit Mumbai

next week on a fire-fighting mission. He's to meet officials of the Securities and Exchange Board of India, FIIs and captains of industries.

Mr Chidambaram claimed here today that the CMP provided for bold reform initiatives, but foreign institutional investors reacted negatively to the document that put disinvestment, labour reforms and privatisation of power utilities on the backburner. Contrary to fears of a slowdown in reforms, Mr Chidambaram said the CMP in fact reaffirmed every reform init-

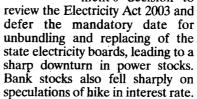
iative started in 1991 and was a "bold and brave declaration" giving him enough room to be "creative and to take initiatives".

One of the bones of contention for today's Sensex plunge was said to be the privatisation issue. Though the government is open to disinvestment of up to 49 per cent stakes in

PSUs, including profitable ones, it has scrapped the disinvestment ministry, sending wrong signals to foreign investors.

With little clarity on how the government will mobilise resources, operators and retailers too joined the bandwagon, resorting to heavy selling in blue chip counters.

The other issue was the UPA government's decision to



The finance minister also predicted that the economy could record over 8 per cent growth with a good monsoon in fiscal 2004-05.

Editorial: Common Marxist Programme! page 6, Sensex report: page 9



Mr Chidambaram in New Delhi on Friday. — AFP

THE STATESMAN 2

#### RESPONDING TO MASS DEPRIVATION

THE COMMON MINIMUM Programme (CMP) adopted by the 15 constituents of the United Progressive Alliance led by the Congress and broadly endorsed by the Left parties, which support the new Government from outside, can be characterised as social democratic in orientation - in its current sociological sense of asserting 'the value of plural social institutions and a mixed economy, as against either a one party system and a command economy, or the untrammelled working of a free market economy.' As a template for policy-making and governance, the 5700-word document is a significant improvement on earlier drafts. It is also a real advance on the CMP adopted in 1996 by the 13-party United Front in consultation with Left parties and broadly endorsed by the Congress, which supported the U.F. Government from outside for about two years. If the new ruling combination lives up to its name even to a reasonable extent, a bright half-decade of secular, democratic, and socio-economically successful — growth-and-welfare-promoting governance could lie ahead for India.

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Lessons seem to have been learned from Verdict 2004, which was shaped chiefly by basic livelihood concerns in rural and urban areas and, to a secondary extent, by the reassertion of pluralistic, secular values. Going beyond the fate of political parties, the debacle of the "India Shining" campaign signified the people's rejection of an economic reform agenda that rode roughshod over mass deprivations, had no time for basic need, employment and livelihood concerns, and overtly represented the interests of a small section of the population. The most progressive and striking aspect of the CMP's response to the changed situation is the promised enactment of a National Employment Guarantee Act to provide a legal guarantee of 100 days of employment in the year, on a minimum wage, to one able-bodied person "in every rural, urban poor and lowermiddle class household." This embryonic 'right to work' would mean employment in a massive asset-creating public works programme that has the potential to transform the socio-economic face of rural India. A quick calculation based on the employment needs of some 100 million rural workers reveals that delivering on this promise in rural India would require a new outlay of the order of Rs.20,000 crores. Marking a break from the earlier socio-economic agenda, the CMP even promises "in the interim" a massive food-forwork programme, and over the next three years a doubling of the flow of rural credit to bring major relief to the hard-pressed bulk of the rural population. The document also commits the UPA Government to "a comprehensive medium-term strategy for food and nutrition security," including a significantly strengthened public distribution system.

There is much more in the Common Minimum Programme that invests the promise of "reform with a human face" — the big promise made to the country by the Prime Minister, the original architect of economic liberalisation in India, when he took charge - with real meaning. But then there must be a clear realisation within the ruling alliance that this is not the first time this politically correct slogan has been advanced. After all, no economic reformer is going to admit or imply that the reform agenda is devoid of humanity and broad social content. Not surprisingly, the Left parties have enthusiastically welcomed the welfare and socio-economic side of the CMP, while expressing some specific differences, for example on the character of the public distribution system needed. Having worked out a bold programme on paper, the constituents of the UPA must start implementing it in a bold, progressive and businesslike way. The Manmohan Singh Government must shape its course and future by relying on the wisdom of accumulated experience with reform and critical reflection - and not on the knee-jerk responses of the stock markets.

THE HINDU 29 MAN TO

# Maximum common happiness

#### **OUR BUREAU**

New Delhi, May 27: The common minimum programme was released today and everyone went home happy from 7 Race Course Road, not before consecrating the occasion by sinking teeth into sweets, Sonia Gandhi included.

Of the six pillars on which the programme rests, one stands for "creative energies of entrepreneurs, businessmen" and another for "welfare of farmers, farm labourers and workers"

It is almost as if one is Manmohan Singh and the other Harkishen Singh Surjeet. Inconceivable a few years ago, the Congress and the Left stood shoulder to shoulder to release a policy document containing vital economic issues.

The Prime Minister said: "We are committed to economic reforms. But the reforms will have a human face.

"Human face" is a face dug out of the last phase of Congress rule in the early to mid-90s and not unknown to Manmohan

It's a face the Left also appeared to like. "We could not have got more," said a senior CPM politburo member.

The programme lays out six principles of governance: Preserve, protect and promote social harmony; ensure 7-8 per cent economic growth while creating jobs; enhance farmer and worker welfare: fully empower women; provide equal opportunity to backward classes and minorities and unleash the creative energies of businessmen and professionals.

Although the Left leaders looked pleased with the document, they did not sign but only "endorsed" it. "The Left parties, while broadly endorsing the CMP, have their differences on a range of economic policies. They concern privatisation in various sectors, targeted public distribution sys-



#### LEFT HAND

- ◆No privatisation of any profit-making PSU Approach privatisation on a case-by-case basis. Sell off loss-making companies after obtaining workers' assent
- Abolish disinvestment ministry. Disinvestment department will function under the finance ministry
- •No hire and fire. Change labour laws only to safeguard workers' interests. Protect the right to strike
- ◆Review Electricity Act of 2003
- ◆Commitment to the Palestinian cause

#### **EDUCATION**

- ◆Introduce a cess on all central taxes to finance the commitment to universalise access to quality basic education
- Raise expenditure on education to 6% of the GDP

#### **HUMAN FACE**

- Interest rate policy to provide incentives to investors senior citizens and pensioners
- ●Legal guarantee for 100 days of employment a year

#### **ALLIES**

- Pota to be repealed. DMK's demand
- ●Telengana mentioned. TRS' demand

- Bill for 33% reservation for women in legislature
- Bill on domestic violence and gender discrimination
- \*Bill to give women equal rights of ownership of assets like house and land

#### MINORITIES

- Bill to deal with communal violence and encourage each state to adopt that law
- . Constitution amendment to help provide direct affiliation for minority professional institutions

#### **RIGHT HAND**

- \*Encourage foreign portfolio investment
- Allow PSUs and state-run banks to tap capital market
- . Target subsidies at the "poor and truly needy"
- \*Give managerial autonomy to
- state-run hanks . Help increase private power
- generation and distribution
- Keep tax rates stable and conducive to growth and investment

foreign institutional investors, who will be "encouraged".

Ministry officials also point out that even on labour law reforms, the document does not reverse moves to relax rules for export processing zones and the information technology industry.

■ See Pages 6, 8 and Business

#### OUR SPECIAL CORRESPONDENT

If it's PC, it

must be black

New Delhi, May 27: The Congress-led alliance today said in the common minimum programme that special schemes would be launched to unearth black money and assets.

No surprise that — P. Chidambaram. PC for short, is in the finance minister's chair, and the first time he held the post in the United Front government he had introduced such a scheme.

If that's what the programme holds for who do not pay their taxes, for those that do, it promises stable rates. There is a proposal for charging a cess on central taxes to fund education, which could affect income tax rates, though.

Estimates of black money have put the amount at 40 per cent of the gross domestic product, or Rs 10 lakh crore. At a tax rate of 30 per cent, the government is then missing out on some Rs 3 lakh crore in revenue, which is three times the current fiscal deficit — the gap between expenditure and revenue.

Finance ministry officials said that if a new black money amnesty scheme was launched in the budget, it could be expected to legitimise rights to wealth and income from undeclared assets that are not tainted by crime

"Amnesty from future prosecution and probes will be an inherent part of such a move," the officials said.

The scheme may not neces sarily be limited to individuals but could be extended to small businesses or even large companies. The last such scheme had been offered to individuals as well as companies.

Analysts, however, point out that earlier schemes to tap black money have not been great successes. Till 1997, when Chidambaram's scheme was unveiled, five amnesty schemes yielded no more than Rs 780 crore.

The 1997 voluntary disclosure of income scheme garnered Rs 10,050 crore. It was estimated to have tapped about Rs 33,000 crore or less than 4 per cent of the total black money in the economy.

"People do not believe in coming clean... they feel it does not pay in the long run," said chartered accountant Sudatta Sen. explaining why tax dodgers do not take advantage of amnesty schemes in the way the government expects them to.

The last scheme's declarations were supposed to have been sealed and lodged safely so that no tax official could access them. But many claim that they were later opened by officials and the declarants often harassed.

tem and certain fiscal policies," they said in a joint statement.

Sonia Gandhi, the ruling United Progressive Alliance's chairperson, said: "The CMP was prepared after negotiations with the pre-poll allies and the Left. It reflects the mandate of the people for a strong, stable, secular government that will work and care for the farmer, the poor, the women and the youth."

The stock market, which had reacted violently after the election results, looking for directions in the document about policies that would follow, appeared somewhat bewildered. "Meaningless platitudes," said a broker, fearing that the market trend would remain negative.

Not all agreed, though, describing the programme as "positive in the long run". It seems the market will wait till the budget to decipher the new government's fingerprints.

There isn't much that is unexpected in the programme, with a hush descending on privatisation, though not completely silencing it. "Profit-making public sector units will normally not be privatised," it says. That does not shut out privatisation. Divestment will continue.

On labour law, the guiding principle is that reforms that do

not maintain the welfare of workers will not be considered.

Officials in P. Chidambaram's finance ministry are quite happy with the programme. They said the most successful way of earning money from divestment was by selling shares on the market, which would con-

The BJP-led government had sold shares of several top companies early this year fetching it over Rs 13,000 crore. contrary, privatisation atte throughout 2003 could no even a quarter of this am

There is no mention: ing the ceiling on fore?

investment, a ticklish issue for the Left. "FDI will continue to be encouraged and sought in areas of infrastructure, high technology and exports and where local assets and employment are created," says the document, expansively

Similarly, the Congress has managed to retain a footnote on

# CMP welcomed by business and industry in industry

**Business Standard** 

NEW DELHI, May 27. — Leading industry associations welcomed the common minimum programme (CMP) and termed it as progressive, positive and forward-looking.

CII president Anand Mahindra said that the CMP seeks to address the concerns of all sections of society. He welcomed the emphasis on economic growth and reforms.

Mahindra said the agenda in the CMP would contribute to economic growth and ensure that growth percolates to all sections of society. The UPA government's pledge to enact a National Employment Guarantee Act as well as commitment to step up public investment in rural infrastructure and irrigation should benefit the rural economy, and create employment opportunities.

CII was happy about the new government's commitment to eliminating revenue deficit by 2009 and to the early introduction of VAT. The CMP's promise of flexible labour laws and the pledge to protect the timate interests of Indian industry and

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agriculture at the WTO forum is a positive approach, he said.

The Federation of Indian Chambers of Commerce & Industry (Ficci) said the CMP provides a clear roadmap for action for the new government and urged the government to implement the individual elements of the CMP in a time boundmanner.

Ficci added that commitment of fiscal correction, reforms of the PSUs, speedy implementation of VAT and review of labour laws are commendable. The Electricty Act had encouraged private sector players by raising their confidence towards increasing investments. So Ficci asked the government to exercise caution while reviewing the Electricity Act.

Other chambers like Assocham and PHDCCI also welcomed the CMP MK Sanghi, president of ASSOCHAM, welcomed the CMP and said, "The government should be concentrating on developing world-class infrastructure that can attract fresh investments and connect rural India with urban cities enhancing the economic powers of the rural masses."

## Dixit takes charge



Mr JN Dixit

#### Statesman News Service

NEW DELHI, May 27.—Former foreign secretary, Mr JN Dixit took charge as the new National Security Adviser today, for a three-year term, replacing Mr Brajesh Mishra. He is expected to play a pivotal role on issues related to nuclear, security and foreign policy. He is, however, not expected to hold the kind of sway over the foreign office that Mr Mishra, also a retired diplomat, held.

An official of the 1958batch of the Indian Foreign Service, 68-yearold Mr Dixit retired as foreign secretary in 1994. He has been given the rank of minister of state.

Mr Dixit, perceived to be a 'hard-liner' on Pakistan policy, has the reputation of being "pragmatic" in dealing with problems.

He has served in most of India's neighbouring countries, which is a key focus of the new government.

He, like the external affairs minister, Mr K Natwar Singh, has been India's High Commissioner to Pakistan, besides having headed the missions in Sri Lanka (1985-89) and Afghanistan (198-2-85).

He opened India's first mission in Bangladesh in

Mr Dixit, who was a member of the first National Security Advisory Board, will chair the Executive Council under the Political Council of the Natwar to meet envoys today

NEW DELHI, May 27.— Ahead of his meeting with Indian heads of missions in neighbouring countries, scheduled for Monday and Tuesday, the external affairs minister, Mr K Natwar Singh, in an effort to spearhead the government's neighbourhood policy, is meeting envoys from SAARC and ASEAN countries tomorrow, the foreign ministry spokesman said

The Ambassadors of Iran and Afghanistan are also attending the meetings.

The foreign ministers of Bangladesh and Sri Lanka, Mr Morshed Khan and Mr Lakshman Kadirgamar, are expected to visit India soon, carrying messages of felicitation from their leaders for the Prime Minister, Dr Manmohan Singh. — SNS

Nuclear Command Authority headed by the Prime Minister, Dr Manmohan Singh.

The United Progressive Alliance (UPA) in its Common Minimum Programme has pledged to make the National Security Council a professional and effective institution.

The new government has said it is committed to maintaining a credible nuclear weapons programme while at the same time evolving demonstrable and verifiable confidence - building measures with its nuclear neighbours.

Mr Dixit, a key figure in formulating the Congress agenda on defence, security and foreign policy matters before the Lok Sabha elections, worked as vice-chairman of the foreign affairs department of the All India Congress Committee.

He resigned soon after the Manmohan Singh government assumed office last Saturday.

THE STATESMAN 28 Mg. 22.

# मुि धनुत्यामन कदल्लि भये कद्दन ना नित्यद

मीरखेट्य बाग्नरठोषुत्री ● नग्नामिल्लि

১৬ মে: শেষ পর্যন্ত সরকারের যে नानज्य कर्यमृष्टि ठिन्न श्रष्ट् जाउ বা সংযুক্ত প্রগতিশীল জোটের শরিক নয় যুশি। কিন্তু তা সত্ত্বেও বামপন্থীরা তাতে সই <u> কমিউনিস্টরা সব সহ শরিক-সহযোগীরাই</u> করবেন না। কারণ দুটি: এক, তাঁরা সরকারের এবং দুই, এই কৰ্মসূচির বাইরে অনেক <u> জায়গাতেই তাঁদের সঙ্গে কংগ্রেসের বিরোধ</u> প্লাকবে। তাই তাঁরা শুধু এই কর্মসূচিটিকে

किष्ट्र क्मिडेनिस्टें क्विरतोषिछात त्यार धर्यात्मेट्टे नग्न। कादल, क्मिडेनिस्टेता किष्ट्र এবং সেই কমিটিতে কিন্তু বামপন্থীরা এই কর্মসূচি মানা হচ্ছে কি না, তার উপর নজরদারির জন্য একটি কমিটি তৈরি হচ্ছে। এটা হয়তো ছুতমাৰ্গের চুড়ান্ত নিদর্শন: कर्ममृिष्टिक धनुरमामन करत मृत्त मत्त থাকবেন এমন নয়। বরং তাঁদেরই উৎসাহে সনিয়া গাঁধী। তাঁর উপরেই জোটের এক জন अनु(भाषन' कदाद्वन।

থাকবেন। জোটের নেত্রী হিসাবে থাকবেন *সংযুক্ত প্রগতিশীল জোটের বৈঠকে কংগ্রোস সভানেত্রী সনিয়া গাঁধী, প্রধানমন্ত্রী মনমোহন সিংহ এবং সি পি এমের হরকিকেন সিংহ সুরজিৎ। বুধবার। —পি টি আই জানিয়ে দিয়ে মনমোহন সিংহ সহ কংগ্রেস ও* আহায়ক ও এক জন মুখপাত্র ঠিক করার দায়িছ দেওয়া হয়েছে। আজ সন্ধ্যায় প্রধানমন্ত্রী মনমোহন সিংহের অফিসে কর্মসূচি চূড়ান্ত করার 🧈 গুকত্বপূর্ণ ক্ষেত্রে বেসরকারিকরণ বা বিমানবন্দরের বেসরকারিকরণ বন্ধ করার জন্য বামেদের দাবি বাতিল হয়ে যায়। তথা সংযুক্ত প্রগতিশীল জোটের শরিক হচ্ছেন না বলে হতাশা ব্যক্ত করেন অনেকেই। কিন্তু তাতে কিছুই লাভ হয়নি। কাল বিকাল চারটেয় বৈঠকেও চার বাম দলের নেতারাই হাজির ছিলেন। বৈঠক চলে চার ঘণ্টা। সব শরিকেরাই তাঁদের মতামত দেন। বামপন্থীরা এই কর্মসূচির চূড়ান্ত কর্মসূচি প্রকাশিত হবে।

তাঁদের দাবি মেনে বিদাৎ পর্ষদগুলিকে ভাঙার জন্য ইলেকট্রিসিটি বিল পর্যালোচনা করতে রাজি হরেছে সরকার। রাজি হরেছে ভূমি ধারা অনুসরণে স্বাধীন বিদেশনীতি র কথা আজকের বৈঠকে খসভায় পরিমার্জনের সংস্কারের স্পন্ত উল্লেখ, ভূমিহীনদের জমি বিশিয়োগ বাড়ানো বা কালো টাকা উদ্ধারের বিদেশনীতির ক্ষেত্রেও নিজেটি আন্দোলনের দেওয়া, আদিবাসীদের উচ্ছেদ বন্ধ করা দাবি এসেছিল মূলত বামপছীদের থেকেই মতো বিষয়গুলি অন্তর্ভুক্ত করতে। পোট তোলার এবং মহিলা বিল পাশ করালোর মতো বিষয়গুলি অপরিবর্তিত থাকছে <u> স্বাস্থ্য-পরিকাঠানো-শিক্ষায়</u>

পরিবর্তন পরিমার্জনের দাবি মেনে নেওয়া আজকের বৈঠকে খসড়ায় থয়নি, তার মধ্যে রয়েছে: বলা হবে।

📘 প্রসঙ্গ। বিলগ্নীকরণ যে হবেই, সে কথা রাষ্ট্রায়ত্ত শিল্পের বেসরকারিকরণে

সহযোগী দলের নেতারা বলেন, লাভজনক ও

🗨 শ্রম আইন সংস্কার নিয়ে বৈঠকে বেশ কিছুক্ষণ বিতগু চলে। শেষ পর্যন্ত বামপন্থীরা পিছু হঠে দাবি করেন, এই প্রতিশ্রুতি দিতে হরে যে আইনে পরিবর্তনের সময় সরকার, মানিকপক্ষ ও ট্রেড ইউনিয়নের বৈঠক ডাকতে হবে। সরকারপক্ষ সম্মত হয়।

এর পর পাঁচের পাতায়

#### নই কুরুবে না বামেরা

প্রথম পাতার পর

রান্নার গ্যাস বা কেরোসিনের দাম
না-বাড়ানোর বাম দাবি বাতিল হয়ে যায়।
বাকি সকলেই এই দাবির বিরোধিতা করে
বলেন, এগুলো প্রশাসনিক সিদ্ধান্ত এবং
প্রয়োজনে অপ্রিয় সিদ্ধান্ত নিতেই হবে।

● রেশনের মাধ্যমে সকলের কাছে সম্ভায় খাদ্যশস্য পাঠাতে পারবেন না বলে জানিয়ে দিয়ে মনমোহন সিংহেরা বলেন, তাঁরা চেষ্টা করবেন নেটওয়ার্ক আরও বিস্তৃত করতে।

- মহিলা বিলের প্রসঙ্গ বাদ দেওয়ার জন্য লালু প্রসাদের দাবি বাতিল হয়ে যায়। তবে লালু এই বিলে অনগ্রসরদের জন্য সংরক্ষণের দাবিতে অনড় রয়েছেন। কিন্তু অন্যদের বাধায় সেই আপত্তি নথিভুক্ত হয়নি।
- পঞ্চায়েতি রাজ ব্যবস্থায় রাজ্যকে পেরিয়ে সরাসরি নীচের তলায় টাকা পাঠানোর বিষয়ে আপত্তি তুলেছিল সি পি এম। কিন্তু সেই আপত্তি গ্রাহ্য হয়নি।
- তেলেঙ্গানা রাষ্ট্রীয় সমিতির
  চন্দ্রশেখর রাও পৃথক তেলেঙ্গানার
  প্রতিশ্রুতি অন্তর্ভক্ত করার দাবি তোলেন।
  কিন্তু তাঁকে বলা হয়, দ্বিতীয় রাজ্য পুনর্গঠন
  কমিশনের মাধ্যমেই যা করার করতে হবে।
  রাও তা মেনে নেন, কারণ উল্টো দিকে স্কৃ
  পি এম এই কমিশন গড়ারই বিরোধী ছিল।

এই বৈঠক শুরু আগেই প্রকাশ কারাত জানিয়ে দেন, "কংগ্রেসের সঙ্গের থাবং আমাদের যা কথা হয়েছে তার ভিত্তিতে বলতে পারি বামপন্থীরা মোটের উপর এটিকে অনুমোদন করতে পারবেন।" কিন্তু সই করতে পারবেন না কেন? প্রকাশের বক্তব্য, "যে দলিলটি তৈরি হচ্ছে সেটা ওদের (সরকারের শরিকদের)। আমরা শুধু সেটাকে সমর্থন করতে বা অনুমোদন করতে পারি।"

তা ছাড়া অন্য কিছু জারগায় তাঁদের মৌলিক আপত্তি রয়েছে। যেমন রাষ্ট্রায়ন্ত ক্ষেত্রের বিলগ্নীকরণ, তেলেঙ্গানা রাজ্ঞা গঠন, বিশ্ব বাণিজ্য সংগঠনে সরকারের ভূমিকা, গরিব মানুয ও মধ্যবিত্তদের জন্য ভর্তুকি (কৃষি, রায়ার গ্যাস, কেরোসিন প্রভৃতিতে), বিদ্যুত ক্ষেত্রে বেসরকারিকরণ ইত্যাদি। অথচ একইসঙ্গে কারাত জানিয়েছেন, "এই কর্মসূচিটিকে রূপায়িত করার ক্ষেত্রে আমাদের দায় রয়েছে। সেইজন্যই আমরা চাই এর উপর নজরদারির জন্যা সমন্বয় কমিটি গড়া হোক।"

সি পি এম সহ বামপন্থীরা যে ভিতরে-বাইরে চাপের মুখে রয়েছেন তা আজ সারাদিনই স্পষ্ট ছিল। সকালে চার বাম দলের বৈঠকে সি পি আই চেয়েছিল, কর্মসূচিতে সই করা হোক। বিকালে এখন বামেদের লড়াকু অংশ হিসাবে যাঁদের তুলে ধরা হচ্ছে সেই শ্রমিক নেতারা যান শ্রমমন্ত্রীর কাছে স্মারকলিপি দিতে। কিন্তু তাতে চড়া সুরের নানা দাবি থাকলেও নেই যষ্ঠ বেতন কমিশন গড়ার দাবি। স্পষ্টতই বাস্তববাদী হওয়ার লক্ষণ ছিল প্রচুর। কিন্তু তা কর্মসূচিতে সই করা পর্যন্ত গড়ায়নি।

আজকের বৈঠক বিভিন্ন প্রশ্নে
মাঝেমাঝেই উত্তপ্ত হয়ে ওঠে। বিতর্ক তৃঙ্গে
ওঠে যখন ফরওয়ার্ড ব্লক নেতা দেবব্রত
বিশ্বাস বলেন যে তাঁর বক্তব্য নিয়ে
আলোচনাই হয়নি। এ কথা শুনে সকলেই
বিশ্বিত হন। বৈঠক শেষে কংগ্রেসের
তরফে প্রণব এবং জয়রাম আলাদা ভাবে
তাঁর সঙ্গে বসে তাঁর ৪৫টি সুপারিশের
৩০টি গ্রহণ করেন।

বিভিন্ন বিষয়ে আপত্তি যে শুধু কমিউনিস্টদের আছে তা নয়। মহিলা বিল সংসদে পেশ করা নিয়ে আপত্তি আছে লালু প্রসাদের। আজ এটাই স্থির হয়েছে যে মহিলা বিল সংসদে পেশ হবে, কিন্তু তার রূপরেখা নিয়ে বিতর্ক হবে। লালু চান, অনপ্রসর শ্রেণীর জন্যও সংরক্ষণ রাখা হোক। পাশাপাশি, তেলুঙ্গুলানা রাজ্য গঠনের প্রতিশ্রুতি পাঁনিনি তেলেঙ্গানা রাষ্ট্রীয় সমিতির চন্দ্রশেশ্বর রাও।

তবে আপাতত সব শরিক-সমর্থকই
খুশি রয়েছেন। মনমোহন সিংহ বৈঠকে
জানান, এই কর্মসূচি মন্ত্রিসভার বৈঠকে
পাশ করিয়ে রাষ্ট্রপতির ভাষণে উল্লেখ
করতে চান তাঁরা। সে জন্যই আপাতত ক্রত
এটি চূড়ান্ত করা হল। পরে এর সঙ্গে
সংযোজন হতে পারে। বৈঠক থেকে
বেরিয়ে সীতারাম ইয়েচুরি, এ বি বর্ধন,
অবনী রায়, লালুপ্রস্ক্র বানুব সহ প্রায় সব
শরিক-সহযোগীরাই সন্তোধ প্রকাশ করেন।
কাল আবার জোটের বৈঠক বসবে।

স্টাফ রিপোর্টার, নয়াদিল্লি, ২৬ মে—
আজ মার্কিন প্রেসিডেন্ট জর্জ বুশ
প্রধানমন্ত্রী মনমোহন সিংহের সঙ্গে
টেলিফোনে কথা বলেন। ভারতের নতুন
প্রধানমন্ত্রী নিযুক্ত হওয়ার জন্য
মনমোহনকে অভিনন্দন জানান বুশ।

" SAR ARE

# UPA finalises CMP, Left to accept

New Delhi: The ruling United Progressive Alliance (UPA) on Wednesday finalised the common minimum programme (CMP) which will be released on Thursday. Congress president Sonia Gandhi was elected chairperson of the UPA.

The Left parties are likely to extend support to the CMP, with the CPI(M) insisting that a coordi-nation mechanism be set up between the ruling alliance and the Left for the implementation of the provisions of the CMP.

"After our discussions with the Congress, I can say that the Left parties will be able to broadly accept the provisions of the CMP and endorse it, CPI(M) politburo member Prakash Karat told reporters here.

Releasing the CPI(M)'s suggestions on the CMP on which the party has held several rounds of discussions with the Congress, Karat said, "As we have a stake in getting the provisions of the CMP implemented, the Left parties will like to have a mechanism or a coordination committee with the UPA."He, however, said the shape of such a coordination committee would be finalised after discussions with the constituents of the UPA.

Asked whether they would be a signatory to the CMP, he said, "The document is their's (UPA's). We can only support or endorse it."

Describing the draft CMP as an "acceptable document which has a scope for further discussions for improvement," he said, "we are confident" that the CMP, in its final shape, would be 'broadly acceptable to us.

Karat said there could be certain issues mentioned in the CMP like formation of new states or WTO issues which the CPI(M) had been opposed to. "We are conscious that there are over two dozen parties which have to work together. We will reserve some differences for the later. But

that does not stop us from showing our opposition

on certain issues," he said.

To the CPI(M) suggestions on the CMP, Karat said that besides the economic issues, a major thrust should be given on "restructuring" of the Centre-state relations in the backdrop of the Sarkaria commission recommendations.

Observing that the Congress had earlier "not bothered" about Centre-state relations, he said, "Several states are in dire financial strait and immediate steps should be taken to provide some relief like enhancing the states' share of central tax revenue, substantial debt relief or reduction of interest on loans

The CPI(M) leader also wanted a "categoric assertion" that there would be no privatisation of profit-making PSUs, besides revamping of the public distribution system (PDS) and food security.

He said the targeted PDS, started during the Narasimha Rao government, "goes against the poor and has been used to exclude them from the PDS net. A person owning a bicycle has been left out. The system should be universal and not targeted."

Karat welcomed the draft CMP proposal of having a law on employment guarantee to provide employment of 100 days and said till the law was enacted, schemes like food for work programmes should be implemented.

On the foreign policy aspect, he said the policy thrust in the draft CMP "does not even conform to the formulations made in the Congress manifesto.

The other Left parties—CPI, RSP and Forward Bloc-have also given their suggestions on the draft to the Congress and attended the meeting of the UPA. Age

# US, Saarc ties top Natwar priorities

Press Trust of India New Delhi, May 26

EXTERNAL AFFAIRS Minister K. Natwar Singh today said the new government would continue to engage with the US in a "constructive" manner to further strengthen bilateral ties in all areas and work together to eliminate terrorism.

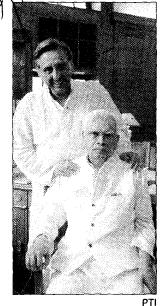
We'll continue to engage our American friends in a constructive manner as the government would like to further strengthen, deepen and widen Indo-US relations in all areas," he said. New Delhi has conveyed its desire to have the "closest relations" with the US when Secretary of State Colin Powell telephoned Singh soon after

he assumed office.

About his meeting with US Ambassador David Mulford who called on him to deliver a letter from Powell, Singh said he had emphasised the importance of the two countries working together to combat terrorism. "I told him it is in the interest of the US, India and the international community to underscore the cordiality and intensity of Indo-US relations," Natwar Singh said.

On his part, Mulford briefed the minister on the evolving situation in Iraq. US Un-der Secretary for Defence and Policy Douglas Feith will come here next week for the meeting of the Defence Policy Group when he holds parleys with Defence Secretary Ajay Prasad. Meanwhile, Singh said he

would spare no efforts in consolidating India's relation-ship with its neighbours. All Indian envoys in Saarc countries, including Shiv Shankar Menon in Islamabad, are being called to New Delhi for consultations. Given the worsening situation in Nepal



Natwar Singh with Cabinet colleague Mani Shankar Aiyar.

and its impact on India, India's envoy to Nepal, Shyam Saran, was the first to be called to Delhi for consultations. Saran's trip coincides with some speculation that he may be considered for the post of foreign secretary once present incumbent Shashank retires in July

The minister will have to give a direction for the foreign secretary-level talks with Pakistan, besides naming a new interlocutor for talks with China. Singh also has to assess the intelligence inputs on cross-border infiltration, which will be clear by early June. A hardnosed diplomat, Singh is unlikely to rush into talks with Pakistan without ade-

quate preparation. On Tuesday, Pakistan For eign Minister Khursheed Mehmood Kasuri spoke to Singh on phone from Washington and the two leaders expressed their zeal to take the peace process forward.

#### Defence deals with Israel to continue

DEFENCE MINISTER Pranab Mukherjee said Wednesday would be no slowdown in defence ties with Israel. The minister also sought to allay the apprehension that ideological convictions of coalition partners in the newly sworn-in UPA government may spike New Delhi's budding strategic ties with Tel Aviv.

"We may have divergent views but there is convergence of views when it comes to securing the country," he said at his first press conference after taking over as Defence Minister on Monday Moving beyond the decades' old pro-Arab tilt in India's West Asia police, the previous NDA government went open about India's rela tionship with Israel.

During its six-year tenure, India signed several deals with Israel, the most prominent of which related to the pro-curement of Phalcon systems for the IAF. India has also acquired UAVs, sensors, avionics and equipment for special forces. On whether the government would probe defence deals struck by the previous dispensation, he said if any specific charges were brought to notice, these would be looked into. HTC, New Delhi

LEFT HOLDS OUT ON SOME ISSUES

#### Allies finalise CMP

Shahid Pervez and Srinjoy Chowdhury in New Delhi

May 26. — A marathon meeting of the United Progressive Alliance here today finalised the CMP which is set to be unveiled tomorrow. Amid claims of a broad agreement, it is learnt that the Left is holding out on certain issues.

As expected, Mrs Sonia Gandhi was elected UPA chairperson.

Mr Sitaram Yechury said: "We have agreed broadly on the contents of the CMP". Dismissing the question whether the Left parties will sign the CMP document as "irrelevant", he said they will "endorse" it.

However, it is learnt that the Left parties are demanding a slew of proworker initiatives. The Left clarified its stand on labour laws, privatisation including FDI, sale of PSUs, the women's Bill, inter-state ties, panchayati raj and help for minorities (all religions). Importantly for Bengal, it was suggested that efforts to convert the fight against river erosion in the state be made a national issue.

To protect labour, the Left called for 180 days guaranteed work — 80 more than what the Congress and its



Dr Manmohan Singh with Mr HS Surjeet and Mrs Sonia Gandhi at the UPA meeting in Delhi. — PTI

allies were looking at. There was also a demand that workers be involved in decision-making. The Left stressed on workers' protection in the event of privatisation. The Left called for passage of the women's reservation Bill and a correction of what it considers the pro-American tilt in foreign policy. It called for strengthening of the PDS and better food security.

At today's meeting all coalition leaders except Mr Karunanidhi were present.

Mr Yechury said the meeting authorised Mrs Gandhi to work out a consultative mechanism to run the

#### Advani to be Opp leader

NEW DELHI, May 26. — Mr Atal Behari Vajpayee is expected to be the NDA and BJP parliamentary party chairperson, while Mr LK Advani is slated to be the Opposition leader in the Lok Sabha. Mr Jaswant Singh is likely to continue as Opposition leader in the Rajya Sabha. — SNS

coalition. Congress leader Ambika Soni said a coordination committee will be announced tomorrow.

Sources said the allies hammered out a consensus on contentious issues. The CMP is likely to pitch for repeal of Pota, sources said.

THE STATESMAN 27 MAY 2000,

#### Final Acceptance Seen As Victory For Moderates In The Party

#### Politburo backs Somnath as next Lok Sabha Speaker

Our Kolkata Bureau

25 MAY

HE CPM politburo here on Tuesday endorsed party's parliamentary wing chief Somnath Chatterjee's candidature for the next Speaker of the Lok Sabha. The party, which had earlier turned down the offer to join a Congress-led coalition at the Centre, finally said "yes" to the Congress' offer of the Speaker's post

to Mr Chatterjee, after a marathon meeting of the party's politburo.

As expected, even accepting the Speaker's post was a dialec tical dilemma of huge proportions for the party. Hence the final acceptance is being interpreted as a 'great victory' of the moderates in the party over hardliners who had earlier got in the way to prevent Jyoti Basu from becoming the Prime Minister. But that was a different time and under different circumstances.

But within the party, it was not very different. The politburo was sharply divided. Those opposing Mr Chatterjee for the

Speaker were strong in their views that it would send confusing signals to supporters and cadres who would not be too well versed to differentiate a legislative post and an executive one. If Mr Chatterjee as a Speaker was wrongly interpreted as the

CPM party directly collaborating with the Congress in the government, it could have an electoral backlash in West Bengal.

However, Tuesday belonged to the moderates with even a section of political observers going to the extent of saying that Mr Chatterjee as the Speaker could be an indication of CPM keeping its option open of joining the Congress coalition government, at a later date



COMRADE IN ARMS: Buddhadeb Bhattacharjee, Jyoti Basu, Harkishen Singh Surjeet and Sitaram Yechury at the CPM politburo meet on Tuesday. — Et Photo

The CPM politburo, which also discussed at length the draft Common Minimum Programme (CMP), will now try to incorporate at least six new points in the CMP. The CPI and RSP, two other constituents of the Left Front, had already said that they would ac-

cept the CPM decision on the Speaker issue All India Forward Bloc, the other LF partner had also said although it had reservations about Mr Chatterjee accepting the Speaker's post, they would stand by the CPM decision on the issue.

Mr Chatterjee will therefore be the first Speaker from the state and the first Left Speaker in the country. But what is possibly more important than this is the CPM's ac

ceptance of Mr Chatterjee's candidature for the Speaker's post. Party leaders like party general secretary, Harkishen Singh Surjeet, former chief minister Jyoti Basu and Sitaram Yechury spoke strongly in favour of Mr Chatteriee's candidature. A sizeable section within the CPM's highest decision making body was opposed to Mr Chatterjee's candidature for the Speaker's post on the ground that the decision might go against the party in states, where the party would have to take on the Congress as the main political opponent in the coming Assembly polls.

Objections also came from some quarters including West Bengal chief minister Buddhadeb Bhattacharjee and Left Front chairman

Biman Bose on the ground that the party would lose an articulate parliamentarian if Mr Chatterjee was to become the Lok Sabha Speaker. However, the moderates in the party, for a change, could prevail over

#### Barrister's skills win him accolades

Our Kolkata Bureau

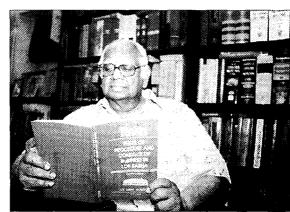
25 MAY

NLIKE many of his comrades he never was part of any student, farmers or peasant movement. Somnath Chatterjee joined the Communist Party only in 1968 after completing his formal education at Canterbury (MA English), Middle Temple (Law degree) and Cambridge University (Bar-at-Law). Just three years later, the barrister -at-law started his innings as a member of the Parliament.

The ten-time Lok Sabha (LS) MP, who is set to become the next LS Speaker and the first Left Speaker in the country, is known for his oratorial and debating skills on and off the floor of the House.

Adjudged as the best parliamentarian a couple of times, Mr Chatterjee has been one of the most successful and outstanding legal professionals in the country as well. His father, N C Chatterjee, was also a legal luminary in his heydays.

During his long political innings, Mr



Home Work: Somnath Chatterjee prepares himself with rules of the Lok Sabha at his residence in the city on Tuesday. — PTI

Chatterjee lost an electoral battle only once, to Mamata Banerjee. The present LS MP from Bolpur has been serving as the leader of the CPM Parliamentary Party for the last five terms. Mr Chatterjee, over these three decades, held several impor-

tant positions including member of the joint committee on Amendment of Election Laws, chairman, committee in subordinate legislation, member CPM central committee.

Mr Chatterjee was also appointed chairman of the West Bengal Industrial Development Corporation (WBIDC) after the Left Front initiated its "new economic policies". Mr Chatterjee was instrumental in bringing in major investments to the state in his capacity

as the WBIDC chairman, a post he held till he filed his nomination for the Lok Sabha elections. Once Mr Chatterjee assumes the Speaker's office in the capital, the Left Front will have to look for Mr Chatterjee's replacement in WBIDC.

# PM buys time, Div. X in hurry Unhappy over portfolios, Karunanidhi threatens to pull out

TIMES NEWS NETWORK AND AGENCIES

Chennai: DMK president M Karunanidhi on Monday said his party's continuation in the Manmohan Singh ministry would depend on the Prime Minister's decision on allotting the portfolios originally agreed upon to the DMK members.

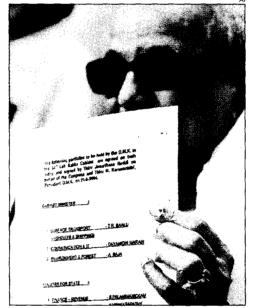
The DMK chief told reporters at the party headquarters here that the Prime Minister spoke to him on Monday and sought 10 days' time to rectify the "mistakes". "I will be happy if the mistakes are rectified before that," he said. Asked whether the DMK's decision would pose any threat to the stability of the govern-

ment, Karunanidhi said: "No, it will not".

The DMK chief blamed a "coterie" around Congress president Sonia Gandhi and the Prime Minister for the portfolio mess. "It is better to identify the coterie and rectify the mistakes," he added. Karunanidhi said originally it was agreed that T R Baalu would be given surface transport, along with shipping, while S S Palanimanickam would be MoS for revenue and S Raghupathy MoS in the home ministry incharge of internal security and personnel. 'But that was not done''

Karunanidhi said he and Congress leader Janardhan Reddy had signed an agreement on May 21 in Delhi in respect of these portfolios. Admitting that the latest developments had caused "heartburn" for him and his party, Karunanidhi said he would be happy if the problems were solved soon.

On watching these developments, it would have been better if the party had stuck to its earlier stand of not joining the ministry for the present, he said, adding that the party joined it because of the "pressures" from Sonia Gandhi, former prime minister V P Singh and others. "I



DMK chief M Karunanidhi shows the portfolio allotment letter of ministers during a press conference in Chennai on Monday

had no other option but to yield to their preshe added. Before the Prime Minister could hunker down with the business of governance, the DMK has threatened to pull out over portfolio allocation.

Congress sources, however, said Karunanidhi's demands were unwarranted. "After getting seven of the 12 berths for Tamil Nadu, the DMK's demand is unwarranted. It's a small issue and could have been sorted out between us.

Why go to the media?" said a Congressman.

Karunanidhi's statement, well past midnight, has embarrassed the allies. "Few day ago, certain portfolios were promised to DMK MPs and a letter to this effect was given to the DMK by Congress leader Janardhan Reddy. But the portfolios announced on Sunday night went contrary to the assurances given in the letter. DMK has, therefore, decided that its ministers will not

#### Dev wants Taslimuddin out

New Delhi: Santosh Mohan Dev, minister of state holding independent charge of heavy industries, refused to assume office on Monday until Taslimuddin, a minister of state allotted the same portfolio, was shunted out. PTI

assume office till these mistakes are corrected," Karunanidhi had said in his statement.

There are two issues that bother the party allies and political analysts. One, its effect on the new DMK-Congress bond and two, its impact on the party's prospect in the 2006 election. His statement has sent a wrong signal to both alliance partners and to the people.

Before elections Karunanidhi had announced that he did not want his party to be part of the Union Ministry. Coaxed by Congress, the party decided that it would join in later. In Delhi, Karunanidhi was almost treated like the Congress' best friend and CPP chairperson Sonia Gandhi, having turned down the Prime Minister's post, had met him thrice to persuade his party to join the cabinet. Karunanidhi then agreed to join in. Though, going by the number formula, DMK was to get two Cabinet and three MoS ranks, it bagged three Cabinet and four MoS.

#### sends out right signals

TIMES NEWS NETWORK

New Delhi: India Inc and financial markets, already bullish following Sunday night's surprise allocation of the finance ministry to P Chidambaram, would be even more pleased to pick up the first policy signals he sent out on Day-1 in office on Monday

The coalition partners of the Manmohan Singh government, including the Left parties, would not be annoyed either for the mar-ket-reformist FM promised to marry "good economics with good politics" and try his best to give a budget living up to his 1997-98 "dream budget". "Our economic policies will be aimed at

sustaining the growth momentum. Chidambaram asserted, hinting at new

SENSEX

economic measures even ahead of the budget. He said a regular budget for 2004-05 would be presented in the next Parliasession, following short recess after this short session (June 2-10)"

True to the No 1 economic plank in the Congress manifesto, Chidambaram said the government's priority would be investment: to pump in massive investment agriculture and manufacturing. The aim would be to sustain the growth momentum while looking for fiscal consolidation.

'My endeavour will be to promote investment which is key to growth, jobs and income," he said. "We will find money for public investment and adopt programmes to promote private investment."

The two (massive public investment and fiscal consolidation) are not irreconcible," he said, adding the govern-ment would honour its commitment under the Fiscal Responsibility and Budget Management Act to cut down wasteful expenditure and achieve zero revenue deficit by 2009

"All economies which want to promote growth have to increase public investments and private investments," he said. "Continuity of economic reforms is perfectly clear as we are going back to the original reforms of Dr Manmohan Singh... We have been out of office but now we have come back with experience. We would factor in the experience to carry forward reforms Chidambaram said. India must shine for all Indians. That aspirational statement would guide the economic policies of the government, he said.

#### 162-pt salute greets new FM

Mumbai: The stock market rose more than 3% on Monday, cheered by the appointment of P Chidambaram as finance minister and his first statement about consolidating economic growth in agriculture, manufacturing

agriculture, manuacturing and employment.

The Sensex ended up 3.26% at 5,123.23 points, while the Nifty closed up 3.12% at 1,608.85 points. Leading software company Infosys Technologies led the rally, up 8.5%, followed by Wipro which ended 6.6% up. P 13

#### No rise in lower class fares: Laloo

**By Our Special Correspondent** 

NEW DELHI, MAY 24. Committing himself to the safety of passengers, the running of trains on time and corruption-free railways, the new Railway Minister, Laloo Prasad Yadav, today promised that there would be no upward revision of passenger fares for lower classes.

Spelling out his priorities during an interaction with the media soon after assuming charge of the Ministry along with his deputies, Narayan Bhai Rathwa and R. Velu, Mr. Yadav declared: "Rail is our oldest mode of transport since British days and the safety of Railways and its passengers will be our top priority."

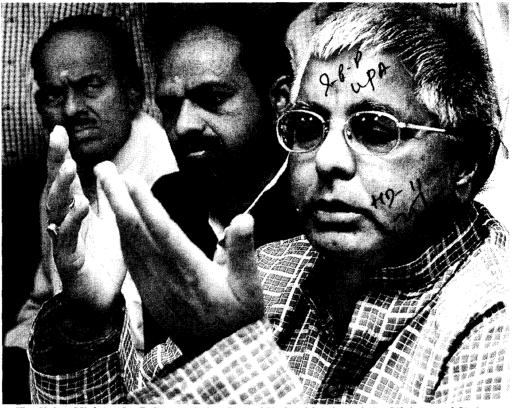
The former Bihar Chief Minister, making his debut as a Central Minister, said he would see to it that lower class fares were not increased to fulfil the aspirations of the people who had voted for the alliance.

Voicing concern over the increasing Railway accidents, he said responsibility would be fixed from 'top-to-bottom' and adequate measures taken to upgrade the Railways through modernisation.

The entire system would be corrected and "quick" rescue and relief operations ensured.

Steps would be taken to check the cornering of railway contracts by mafias. Corruption cases related to sales and purchase would be expedited.

New projects would be initiated only after completing the earlier ones started by his predecessors, Ram Vilas Paswan and Nitish Kumar. Mr. Yadav said he



The Union Minister for Railways, Laloo Prasad Yadav (right), and the Ministers of State, Naranbhai Rathwa and R. Velu (left), after they assumed office in New Delhi on Monday. — Photo: V. Sudershan

would write to the Members of Parliament to send suggestions and requirements in their constituency. "We will provide railways to the remotest areas," he said adding that the Railways was for everybody. All steps would be taken to

All steps would be taken to ensure the running of trains on schedule as a proper enquiry system would be in place at stations. Officials would be punished if complaints were received about the late running of trains.

Special attention would be given to cleanliness at stations and in trains as also to the quality of food served to passengers.

#### Ban on plastic goods

The Minister announced a total ban on plastic goods in trains; rather, "kullah" would be

introduced while serving tea/ coffee. Transportation of gas cylinders in passenger trains would be prohibited.

would be prohibited.

Asked if the new government would introduce new trains on the lines of the Jan Shatabdis or the Shatabdis, he said, "we will discuss the matter after reviewing the entire operations keeping in mind the requirement of the railways."

#### THE NEW TEAM

WA

THE APPREHENSION THAT Prime Minister Manmohan Singh would find Ministry-making a difficult exercise has been largely belied. The composition of the Council of Ministers is testimony to his adroitness in striking a balance between the imperatives of effective governance and the inescapable compulsions of accommodating the various demands of the broad coalition of regional parties that the Congress heads. The entire exercise suggests that where it really mattered - most notably, the control of key Ministries - the new Prime Minister and the Congress party have been able to prevail over smaller allies. Those who demurred such as Laloo Prasad Yadav and Ram Vilas Paswan were quickly brought around - an indicator of the Congress' non-domineering attitude towards coalition partners and a signal that bodes well for the stability of the new Government. Some rumbling over the allocation of portfolios cannot be ruled out but Dr. Manmohan Singh has reason to believe that the major stumbling block has been overcome with the swearing in of a large Council of Ministers - and that too in one sweep.

With a strength of 68 and the accommodation of virtually all the political heavyweights, Ministry-making is more or less complete. The Prime Minister has the leeway to appoint only about a dozen more Ministers; with the enactment of the 91st Constitution Amendment, the size of the Union Ministry cannot exceed 15 per cent of the Lok Sabha. Clearly, much store was set by experience and the new team has several heavyweights who have occupied senior ministerial positions, such as Pranab Mukherjee, Arjun Singh, P. Chidambaram, Kamal Nath, and Ghulam Nabi Azad. Among the other striking features of the new Government is the sizable Dalit and minority presence (three Dalits are members of the Cabi-

net and there are seven Muslims in the Council of Ministers). Given the pattern of electoral results, it was perhaps inevitable that the southern States would be well represented. Not surprisingly, Tamil Nadu, which contributed critically to the victory of the United Progressive Alliance, has the lion's share; however, nobody could have anticipated that as many as 12 Ministers (six of them of Cabinet rank) would hail from the State. Regional imbalances were inevitable given the nature of the election result; among other things, this means only one Cabinet Minister from the country's most populous State, Uttar Pradesh.

While there were no major surprises in the composition of the Ministry, the absence of fresh young faces — a long list that includes the likes of Sachin Pilot, Navin Jindal and Ivotiraditya Scindia - was contrary to popular expectation. The decision to induct the Rashtriya Janata Dal leaders, Laloo Prasad Yadav and Mohammad Taslimuddin, who have been chargesheeted in criminal cases, is bound to raise serious anxieties. However, as the irrepressible Mr. Yadav has pointed out, this is by no means the first time somebody facing a criminal case has been in government. Dr. Manmohan Singh would have also done better if he had left out Shivraj Patil and P.M. Sayeed, who were defeated in the recent election. The inclusion of those who have been rejected by the people is not in keeping with the best democratic norms; these inductions cannot be justified by the precedent set by Mr. Vajpayee in this regard, when he made O. Rajagopal, who lost the 1999 Lok Sabha election, a Minister. Barring these incongruities, the new Prime Minister Singh must be congratulated on an exercise that has been carried out quickly, smoothly and without yielding to undue pressure from elements in his broad coalition.

THE HINDU 21 MAY 2000,

#### THE HOME MINISTER IS... SHIVRAJ PATIL

# Finally, a govt – and it's Sonia's we then

#### Statesman News Service

NEW DELHI, May 23. — Ten days after the election results, India finally got its Council of Ministers — the late night announcement, coming in the wake of tough bargaining and dramatic showdowns, springing some huge surprises and clearly showing the importance of Mrs Sonia Gandhi, as opposed to the Prime Minister's.

Granting the key home portfolio to a man who was rejected by his electorate makes little political sense, but Mr Shivraj Patil is one of Mrs Gandhi's favourites — she had him as her deputy in the last Lok Sabha. And he was the man who took a battering in the Rajya Sabha (when he was MoS, defence production) for making a "Bofors statement" to back a somewhat misleading observation from Rajiv Gandhi. Mr Patil getting home meant Mr Pranab Mukherjee getting defence, a clear come-down.

Nobody would deny that the author of the so-called "dream budget" deserved the finance portfolio— if Dr Manmohan Singh was not inclined to retain it, but that budget was presented when Mr P Chidambaram had broken with the Congress and joined the United Front. But Mr Chidambaram had always been close to Rajiv Gandhi, and created the Special Protection Group for his security.

But nowhere has "loyalty" been

But nowhere has "loyalty" been more rewarded than in the case of Mr HR Bhardwaj getting the law portfolio (which he had held as MoS before). He was among the battery of lawyers that had served Indira Gandhi in tackling the host of cases the Janata government had imposed **Cabinet Ministers** 

Pranab Mukherjee: Defence; Arjun Singh: HRD; Sharad Pawar: Agriculture, Food & Civil Supplies, Consumer Affairs and Public Distribution: Laloo Prasad Yaday: Railways: Shivrai Patil: Home: Ram Vilas Paswan: Chemicals and Fertilisers, Steel; Ghulam Nabi Azad: Parliamentary Affairs, Urba Development; S Jaipal Reddy: I&B, Culture; Sis Ram Ola: Labour and Employment; P Chidambaram: Finance; Mahavir Prasad: Small Scale, Agro and Rural Industries; PR Kyndiah: Tribal Affairs, North-East Development; TR Baalu: Road Transport and Highways; S Vaghela: Textiles; Natwar Singh: External Affairs; Karnal Nath: Commerce and Industry; HR Bhardwaj: Law and Justice; PM Sayeed Power; Raghuvansh Prasad Singh: Rural Development; PR Das Munshi: Water Resources; Mani Shankar Aiyar: Petroleum & Natural Gas, Panchayati Raj; Sunil Dutt: Youth Affairs and Sports; Shibu Soren: Coal, Mines and Minerals; A Raja: Environment and Forests; Dayanidhi Maran: Communication and IT; Meira Kumar: Social Justice and Empowerment; K Chandra Shekar Rao: Shipping; Anbumani Ramdoss: Health and Family Welfare

MoS (Independent Charge)
Santosh Mohan Deb: Heavy Industries and
Public Enterprises; Jagdish Tytler: NonResident Affairs; Oscar Fernandes: Statistics
and Programme Implementation; Renuka
Choudhury: Tourism; Subodh Kant Sahay:
Food Processing; Kapil Sibal: Science and
Technology, Ocean Development; Vilas
Muttemwar: Non-Conventional Energy
Sources; Kumari Selja: Urban Employment and
Poverty Alleviation; Praful Patel: Civil
Aviation; Premchand Gupta: Company Affairs

on her after the Emergency cost her the premiership.

With Mr Kapil Sibal — who enjoys a much bigger practice — in the Congress ranks, giving Mr Bhardwaj the portfolio would seem a trifle strange. He may be "senior" in politics, but perhaps not in the profession. Mr Sibal has been sent to sea. Veteran leader Mr Arjun Singh got the HRD ministry as expected. He had operated in the same capacity in the Narasimha Rao Cabinet too. Mr K Natwar Singh's choice for the external affairs berth was also considered natural.

Ending the lingering suspense, the announcement highlighting the contours of the Congress-led United Progressive Alliance government was made tonight, more than 30 hours after Dr Singh took oath as Prime Minister yesterday.

RJD supremo Mr Laloo Prasad Yadav was allotted the railway ministry on the expected lines, but another Bihar strongman, Lok Janshakti Party's Mr Ram Vilas Paswan, had to remain content with only chemicals and fertilisers ministry. Mr Laloo Yadav's party colleague, Mr Raghuvansh Prasad Singh, was allotted the rural development ministry.

Mr Sharad Pawar (NCP) was inducted as the food and agriculture minister, while his party colleague Mr Praful Patel bagged the civil aviation ministry (MoS-independent).

Mr Praful Patel bagged the civil aviation ministry (MoS-independent).

The DMK nominees — Mr TR Baalu (surface transport), Mr Dayanidhi Maran (telecommunication and IT), and Mr A Raja (environment and forests) — cornered some key economic ministries. PMK leader Mr Ramadoss' son, Dr A Ramadoss, was given the health portfolio, ignoring Mr Paswan's demands.

Among the Congress nominees in the Cabinet, Mr Kamal Nath got the commerce and industries ministry, Mr Ghulam Nabi Azad got parliamentary affairs, Mr PM Sayeed got power, and Mr S Jaipal Reddy the I&B ministry.

More reports on page 4

THE STATESMAN



# ALLIFE PN5 NEN

# Lawyer, diplomat and actor join the Manmohan club



#### Arjun Singh, RS member

Debut. Elected MLA from MP in 1957; Joined Congress in 1960 Work profile: Chief minister of MP, governor of Punjab, Union minister of commerce, communications and HRD USP: Signing of Punjab accord High/Low point: Quit Rao ministry in December 1994 following demolition of Babri Masjid; Expelled from Congress in February 1995 Cong Comeback: Returned to party in 1997



#### Sharad Pawar, MP, Baramati

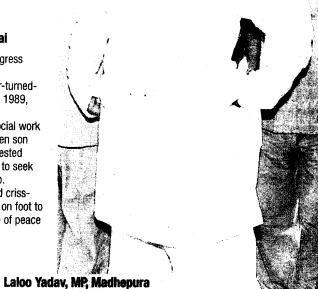
assembly at the age of 27
Work profile: Was CM four
times. Formed Congress (S).
Was defence minister in 1991
Cong Comeback: Returned to
Congress in 1986
USP: Known for political acumen, grassroots support and
knowledge of caste politics
High/Low point: Formed NCP
in 1999 after quitting Congress
over Sonia's foreign origin issue

Debut: Entered Maharashtra



#### Sunii Dutt, MP, Mumbai

Work profile: Actor-turned-politician. Elected in 1989, 1991 and 1999 dign/Low point: Social work route to politics. When son Sunjay Dutt was arrested under TADA, he had to seek Bal Thackeray's help. USP: Defied age and criss-crossed the country on foot to spread the message of peace



#### Tried and tested warhorses on the gallop, again



S Jaipal Reddy, MP

parliamentarian award

#### Ghulam Nabi Azad, 57, RS member

Work profile: Held portfolios like home, civil aviation, tourism and parliamentary affairs in the Rajiv Gandhi government High point: Led Congress to victory in the 2002 assembly elections in J&K and the recent polls in Andhra Pradesh

USP: Close to 10 Janpath, good organiser



#### P:Chidambaram, MP

Debut: Elected to LS in 1984
Work profile: Was Union minister for finance, commerce. An MBA from Harvard. Recipient of 'Asia's Best Finance Minister' award from a university in Australia. High point: His 1997 budget was described as 'dream budget' by the media.



#### K Natwar Singh, RS member

Debut: Entered Lok Sabha in 1977 Debut: Elected to LS in Work profile: Biliar CM twice. President of Janata Dal between Work profite: Union January 1996 and Tily 1997, MLA between 1980 and 1989 Launched minister of state for external affairs and steel USP: Diplomacy; Been RJD in 1997. USP: Master of caste equations an envoy to Poland, Zambia, Pakistan; Served as deputy realpolitik: known for his wit and unique rustic style high commissioner in the UK; acclaimed writer

unique rustic style
High/low point: Making election
victories a habit. The supreme
court asking him to surrender
before a trial court in the fodder



#### Kamal Nath, LS member

Work profile: Was I&B minister in the United Front government. Left Congress to join Janata Dal; returned to Congress after 24 years USP: A skilled wordsmith of the English

High point: Was honoured with the best

Work profile: Entered politics as a Youth Congress worker in 1968. Elected to LS in 1980 from Chhindwara in MP, which has been his stronghold ever since. Was AICC general secretary

Low point: Denied ticket in 1996 as his name was linked to hawala scam



#### ----

Work profile: Entered politics as a student leader. Elected to LS in 1971; left Congress in 1977. Returned to Congress and elected to LS from Howrah in 1984.

Priya Ranjan Dasmunshi, LS member

High point: Was Union minister of state for commerce; Congress' chief whip in the 13th LS



#### Shibu Soren, LS membe

Work profile: Works for tribal welfare
High point: Launched JMM in 1973
demanding a separate state of Jharkhand.
Formed an alliance with Congress under Indira
Gandhi during the 1980 polls

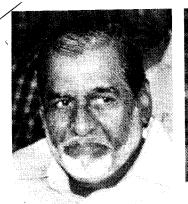


Work profile: Lawyer, Congress spokesman Low point: Lost to Sushma Swaraj in 1996; USP: Won important cases, including the Best Bakery case. The only lawyer to argue before a joint sitting of parliament where he successfully defended justice V Ramaswamy, who was facing an impeachment motion.



#### Ram Vilas Paswan, LS member

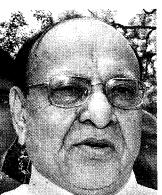
Debut: MLA from Aulauli in Khagaria in 1967 High/low point: Left NDA in 2002 in the wake of post-Godhra riots; quit Janata Dal (U) to form LJP; won 1977 LS polls from Hajipur on Janata Party ticket by 4.24 lakh votes; elected for the seventh time from Hajipur USP: Dalit leader with grassroots support



P.M.Sayeed - Power



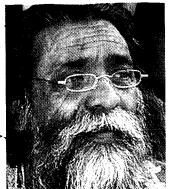
Mani Shankar Aiyar -**Petroleum** 



Shankar Singh Vaghela -Textiles



**Kamal Nath- Commerce** 



Shibu Soren- Coal, Mines and Minerals



T. R. Baalu- Road Transport and Highways



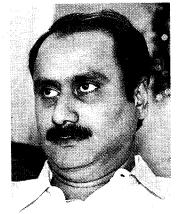
H. R. Bhardwaj- Law



Raghuvansh Prasad Singh-Rural Development



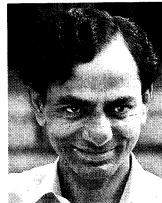
Sunil Dutt- Sports & **Youth Affairs** 



R. Anbumani- Health and Family Welfare



A. Raia- Environment and Forests



Chandrashekhar Rao-Shipping



Renuka Choudhary- Minister of State (Independent) Tourism



Kapil Sibal - Minister of State (Independent) for Science and Technology



E.Ahamed - Minister of State for External Affairs

#### The Union Council of Ministers

CABINET MINISTERS

Pranab Mukherjee Arjun Singh

Sharad Pawar 🦊

Laloo Prasad X19 Shivraj Patil Ram Vilas Paswan Ghulam Nabi Azad

Jaipal Reddy

Sis Ram Ola P. Chidambaram Mahavir Prasad

P. R. Kyndiah

T. R. Baalu S. Vaghela Natwar Singh Kamal Nath H. R. Bhardwaj P. M. Saveed Raghuvansh Prasad Singh P. R. Dashmunsi Mani Shankar Aiyar

Sunil Dutt Meira Kumar

K. Chandra Shekhar Rao Shibu Soren A. Raia Dayanidhi Maran

Anbumani Ramdoss MINISTERS OF STATE (Independent Charge)

Jagdish Tytler Oscar Fernandez

Renuka Choudhury Subodh Kant Sahai Kapil Sibal

Human Resource Development Agriculture, Food & Civil Supplies, Consumer Affairs and Public Distribution

Railways Home

Defence

Chemicals & Fertilizers; Steel Parliamentary Affairs; Urban Development Information & Broadcasting: Culture

Labour & Employment Finance

Small Scale, Agro & Rural Industries Tribal Affairs: Development of

North East Road Transport & Highways

Textiles **External Affairs** Commerce & Industry Law & Justice

Power Rural Development Water Resources

Petroleum & Natural Gas; Panchayati Raj Youth Affairs & Sports Social Justice &

Empowerment Shipping Coal; Mines & Minerals **Environment & Forests** 

Communication & Information Technology Health & Family Welfare

Development

Heavy Industries & Santosh Mohan Dev Public Enterprises Non-Resident Affairs

Statistics & Programme Implementation Tourism Food Processing Science & Technology; Ocean

Vilas Muttemwar

Kumari Selja

Praful Patel Prem Chand Gupta MINISTERS OF STATE E. Ahamed

Suresh Pachauri

B.K. Handique Panabaka Lakshmi Dasari Narayan Rao Shageel Ahmed

Rao Inderjit Singh Naranbhai Rathwa Rehman Khan K. H. Muniappa M. V. Rajashekharan Kantilal Bhuria

Manik Rao Gavit Sri Prakash Jaiswal Prithviraj Chavan Taslimuddin

Suryakanta Patil

Md.Ali Ashraf Fatmi

A. Narendra R.Velu S. S. Palanimanikkam S. Regupathy K. Venkatapathy Subbulakshmi Jegadeesan

E.V.K.S. Elangovan Kanti Singh

Namo Narayan Meena Jay Prakash Narayan Yaday Akhilesh Singh

Non-Conventional Energy Sources Urban Employment & Poverty Alleviation

Civil Aviation Company Affairs

External Affairs Personnel: Parliamentary Affairs Defence; Parliamentary Affairs Health & Family Welfare Coal & Mines Communications & Information Technology External Affairs Railways Chemicals & Fertilizers Road Transport & Highways Planning Agriculture, Food & Civil Supplies, Consumers Affairs & Public Distribution Home Affairs Home Affairs Prime Minister's Office Heavy Industries & Public Enterprises Rural Development; Parliamentary Affairs Human Resource Development Rural Development Railways Commerce & Industry Home Affairs Law & Justice Social Justice & Empowerment Petroleum & Natural Gas Human Resource Development Environment & Forests Water Resources

Agriculture, Food & Civil Supplies, Consumer Affairs & Public Distribution

India committed to

# Union Council of Ministers W DELHI, MAY 22. The resident of India has popointed Dr. Manmohan meth as the Prime Minister Sumil Dutt Raghuvansh Prasad Singh Dasari Narayan Rao Shaqeel Ahmed Rao Inderjit Singh

NEW DELHI, MAY 22. The President of India has appointed Dr. Manmohan Singh as the Prime Minister of India. As advised by the Prime Minister, he has appointed the following as members of the Council of Ministers:

#### **Cabinet Ministers**

Pranab Mukherjee Arjun Singh Sharad Pawar Laloo Prasad Yadav Shivraj Patil Ram Vilas Paswan Ghulam Nabi Azad Jaipal Reddy Sish Ram Ola P. Chidambaram Mahavir Prasad P. R. Kyndiah T. R. Baalu S. Waghela Natwar Singh Kamal Nath H. R. Bhardwaj P. M. Sayeed

Raghuvansh Prasad Sing P. R. Dasmunshi Mani Shankar Aiyar Sunil Dutt Meira Kumar K. Chandra Shekhar Rao Shibu Soren A. Raja Dayanidhi Maran Dr. Anbumani Ramdoss

#### Ministers of State (Independent Charge)

Santosh Mohan Dev Jagdish Tytler Oscar Fernandes Renuka Choudhury Subodh Kant Sahai Kapil Sibal Vilas Muttemwar Selja Praful Patel Prem Chand Gupta

#### **Ministers of State**

E. Ahamed Suresh Pachauri B. K. Handique Panabaka Lakshmi

Rao Inderjit Singh Naranbhai Rathwa Rehman Khan K. H. Muniappa M. V. Rajashekharan Kantilal Bhuria Manik Rao Gavit Sri Prakash Jaiswal Prithviraj Chavan Taslimuddin Suryakanta Patil Md. Ali Ashraf Fatmi A. Narendra R. Velu S.S. Palanimanikkam S. Regupathy K. Venkatapathy Subbulakshmi Jegadeesan E.V.K.S. Elangovan Kanti Singh

Namo Narayan Meena

Akhilesh Singh

Jay Prakash Narayan Yadav

# परग्ज्त निया पत

প্রণব স্বরাষ্ট্র, লালু রেল, চিদম্বরম অর্থ,

**मीरश्रक ताग्ररहोश्ती उ** 

২২ মে: শেষ পর্যন্ত আজ রাতে মন্ত্রিসভার সদস্যদের মধ্যে দফতর বন্টন করে উঠতে পারলেন না নতন প্রধানমন্ত্রী মনমোহন সিংহ। শুধু শরিকদেরই যে মন্ত্রক মুখোপাধ্যায় ওই মন্ত্রকের দায়িত্ব নিন। নিয়ে ক্ষোভ আছে তা নয়, সমস্যা রয়েছে প্রণবের আবার প্রতিরক্ষায় আগ্রহ নেই। কংগ্রেসের ভিতরেও। প্রধানমন্ত্রী-সহ মোট ৬৮ জনের মন্ত্রিসভায় শরিকদের খুশি করতে গিয়ে অনেক বেশি গুরুত্ব পেয়ে গিয়েছে তামিলনাডু ও বিহার। কংগ্রেসের মধ্যেও প্রাধান্য পেয়েছেন প্রবীণেরা, যাঁরা নরসিংহ রাওয়ের মন্ত্রিসভাতেও গুরুত্বপূর্ণ ছিলেন। এখন মন্ত্রক বন্টনের মধ্যে কতটা ভারসাম্য রাখা যায়, সেটাই হয়ে দাঁড়িয়েছে প্রধানমন্ত্রীব মাথাব্যথা।

সব রকমের জট ছাড়িয়ে কাল তিনি মন্ত্রক ঘোষণা করবেন বলে জানিয়েছেন মনমোহন। শপথ-অনুষ্ঠানের পর তিনি বলেন, "সমস্যা যথেষ্ট ছিল, কিন্তু তা কেটে গিয়েছে। মন্ত্রিসভা গড়তে গিয়ে সমস্যা সব সময়েই থাকে, তার মোকাবিলার উপযুক্ত পথও আছে।" সেই সঙ্গেই মনমোহন জানিয়েছেন, তিনি আশাবাদী যে সরকার পাঁঁচ বছরই চলবে। তবে আজ যিনি সব থেকে বেশি ক্ষর ছিলেন সেই রামবিলাস পাসোয়ান রাতে জানিয়েছেন, কংগ্রেস ও রাষ্ট্রীয় জনতার সঙ্গে তাঁর জোট ছিল শুধু ছাড়াও ডি এম কে ভূতল পরিবহনও লোকসভার জন্য, ন'মাস পরে বিধানসভায় তিনি কী করবেন তা পরে স্থির করবেন। সোরেন কয়লা ও খনি মন্ত্রক পাচ্ছেন। রাত পর্যন্ত তাঁর মন্ত্রক নিয়ে অনিশ্চয়তা

গভীর রাত পর্যস্ত দফতর বল্টন নিয়ে চড়ান্ত না-হলেও ঠিক হয়েছে, প্রধানমন্ত্রী

চিদম্বরমকে অর্থমন্ত্রী করা হচ্ছে। প্রতিরক্ষামন্ত্রী হচ্ছেন নির্বাচনে হেরে গিয়েও মন্ত্রিসভায় স্থান পাওয়া শিবরাজ পাটিল। শিবরাজকে প্রতিরক্ষা মন্ত্রক দিতে সনিয়া গাঁধী অবশ্য খুব একটা আগ্ৰহী ছিলেন না। তাঁর ইচ্ছা ছিল প্রণব তিনি স্বরাষ্ট্র এবং নটবর সিংহ বিদেশমম্বক পাচ্ছেন। অর্জুন সিংহ হচ্ছেন মানবসম্পদ উল্লয়ন মন্ত্রী। প্রিয়রঞ্জন দাশম্পি সংসদবিষয়ক মন্ত্ৰী হচ্ছেন। তা ছাড়াও তাঁকে আরও কিছু দায়িত্ব দেওয়া হতে পারে। সম্ভোষমোহন দেবের দফতর এখনও চুড়ান্ত হয়নি। শরিকদের মধ্যে লালুপ্রসাদ যাদব পাচ্ছেন রেল মন্ত্রক, সঙ্গী রঘবংশপ্রসাদ সিংহের জন্য আদায় করে নিয়েছেন গ্রামোন্নয়ন। এন সি পি নেতা শরদ পওয়ার প্রতিরক্ষা মন্ত্রক চাইলেও তাঁকে কষি ও খাদ্যমন্ত্রী করা হচ্ছে। শরদ অবশ্য প্রকাশ্যে বলেছেন, তিনিই এই দায়িত্ব চেয়েছেন। তাঁর সহযোগী প্রফুল্ল পটেল জানিয়ে দিয়েছেন, তিনি বিমান পরিবহন মন্ত্রক পাচ্ছেন। প্রফুল্ল অবশ্য স্বাধীন দায়িত্বপ্রাপ্ত প্রতিমন্ত্রী হচ্ছেন। প্রয়াত ডি এম কে নেতা মুরাসলি মারানের ছেলে দয়ানিধি যোগাযোগমন্ত্রী হচ্ছেন। টি আর বালু পাচ্ছেন বন ও পরিবেশ মন্ত্রক। এ পাচ্ছে। ঝাড়খণ্ড মুক্তি মোর্চার নেতা শিবু

সমস্যা জটিল হয়েছে রামবিলাস পাসোয়ানকে নিয়ে। লালুপ্রসাদকে সম্ভুষ্ট করতে তাঁকে রেল দেওয়ায় ক্ষুব্ধ হয়েছেন আলোচনা চলে। সব দফতর নিয়ে সিদ্ধান্ত রামবিলাস। সনিয়া গাঁধী দু জনের সঙ্গে আলোচনা করেও পাসোয়ানকে বাগে

করেন। শেষ পর্যন্ত বিশ্বনাথপ্রতাপ তাঁকে সঙ্গে করে রাষ্ট্রপতি ভবনে উপস্থিত হন। কংগ্রেসের মধ্যেও অন্য সমস্যা ছিল যথেষ্ট। পূর্ণমন্ত্রী করা হচ্ছে না বলে অম্বিকা সোনি মন্ত্রিসভায় যাবেন না বলে জানিয়ে

জনা আসরে নামেন। কিন্তু রেলের বদলে

যোগাযোগ মন্ত্রকের জন্য রামবিলাস অনড়

ছিলেন। যোগাযোগ করুণানিধি চেয়ে

আমার নেত্রী সনিয়া গাঁধীর মতোই সংগঠনে বিশ্বনাথপ্রতাপ সিংহও তাঁকে বোঝানোর থেকে সংগঠনকে চাঙ্গা করে তোলার কাজ করব বলে ঠিক করেছি। বত্রিশ বছর রেখেছিলেন দয়ানিধি মারানের জন্য। এই সিদ্ধান্ত নেওয়ার অধিকার আমার অবশ্যই আ**ছে।" কপিল সিবালে**রা অবশ্য প্রতিমন্ত্রী অবস্থায় তাঁকে সামাজিক ন্যায়বিচার মন্ত্রক হিসাবে শপথ নিতে রাজি হয়ে যান। কিন্তু নেওয়ার প্রস্তাব দেওয়া হয়। তাতেই খুশি নন প্রবীন নেতা অর্জুন সিংহও; কারণ রামবিলাস ক্ষর হয়ে শপথ নেবেন না স্থির তাঁকে রাও-জমানার মতোই মানবসম্পদ মন্ত্রক দেওয়া হচ্ছে। সলমন খরশিদকে আবার মন্ত্রীই করা হয়নি। অন্য দিকে ভোটে হেরেও ঢুকেছেন পি এম সইদও।

মনমোহনের পরেই আজ শপথ নেন শাধীর

সময়েও মন্ত্রিসভার দ্বিতীয় ব্যক্তি ছিলেন। প্রণবের পরেই ডাক পড়ে আর এক প্রবীণ কংগ্রেসি অর্জুন সিংহের। তার পরে পরেই কংগ্রেসের কাজে উৎসর্গ করার পর এই ছিলেন জাতীয়তাবাদী কংগ্রেসের শরদ পওয়ার ও লালুপ্রসাদ। মন্ত্রীরা কে কী দায়িত্বে তা কাল ঘোষণা করা হবে। তবে দায়িত্বের গুরুত্ব বোঝার পক্ষে এটকুই যথেষ্ট যে লালপ্রসাদের পর লোকসভার ভোটে হেরে যাওয়া শিবরাজ পাটিল এবং তারপর গুলাম নবি আজাদের ডাক পড়ে।

#### আঞ্চলিক ভারসাম্য নষ্ট

জাত-পাত-সম্প্রদায় থেকে শুরু করে শরিকদের গুরুত্ব, সব দিক রক্ষা করে নতুন

মপ্ত্রিসভা তৈরির চেষ্টা করলেন মনমোহন সিংহ। কিন্তু তার ফলে আঞ্চলিক ভারসামা পুরোপুরি নষ্ট হয়ে গেল। সনিয়া গাঁধীর ছত্রছায়ায় গঠিত মন্ত্রিসভায় মহিলা মন্ত্রীর ৪ জন বিহারের আর ৩ জন করে মহারাষ্ট্র সংখ্যাও খুব একটা বেশি নয়, মোট ৬ জন। প্রবীশেরা এই মন্ত্রিসভায় যথেষ্ট বেশি সংখ্যায় স্থান করে নিয়েছেন। সেই সঙ্গেই সংখ্যালঘু সম্প্রদায়ও আবার দেশের মন্ত্রিসভায় গুরুত্ব ফিরে পেয়েছেন।

পূর্ণমন্ত্রী, স্বাধীন দায়িত্বপ্রাপ্ত প্রতিমন্ত্রী ও অন্যান্য প্রতিমন্ত্রী মিলে আজ শপথ নিয়েছেন ৬৭ জন। এর মধ্যে বিহার ও তামিলনাডু থেকে রয়েছেন ১২ জন করে। অর্থাৎ মন্ত্রিসভার এক-তৃতীয়াংশ সদস্য শুধু

এই দুই রাজ্যের। প্রধানমন্ত্রী বাদে ২৮ জন পর্ণমন্ত্রীর মধ্যে অর্ধেকেরও বেশি এসেছেন চারটি রাজ্যের থেকে (৬ জন তামিলনাডুর, ও মধ্যপ্রদেশের)। এর মধ্যে বিহার ও মহারাষ্ট্রে বিধানসভা নির্বাচন আসর। পশ্চিমবঙ্গের দু'জন (প্রণব মুখোপাধ্যায় ও প্রিয়রঞ্জন দাশমূব্দি) পূর্ণমন্ত্রী হয়েছেন, কিন্তু ওড়িশা, ছত্তীসগঢ় ও উত্তরাঞ্চলের মতো রাজ্যগুলির প্রতিনিধিত্বই নেই মন্ত্রিসভায়।

২৮ জন পূর্ণমন্ত্রীর মধ্যে ১৮ জন কংগ্রেসের এবং বাকি ১০ জন শরিকৃদের। এই দশ জনের মধ্যে থেকে আবার সব এর পর পাঁচের পাতায়



শপথ গ্রহণ অনুষ্ঠানে অটলবিহারী বাজপেয়ী, সনিয়া গাঁধী, লালকৃষ্ণ আডবাণী, হরকিষেন সিংহ সুরজিৎ, করুণানিধি প্রসুখের সঙ্গে প্রধানমন্ত্রী মনমোহন সিংহ ও তাঁর মন্ত্রিসভার সদস্যেরা। — পি টি আই

#### THE NEW TEAM

#### Cabinet rank



Mr Pranab Mukherjee

Mr Sherad Pawar





Mr Laloo Yadav

Mr Shivraj Patil





Mr PR Das Munshi

Mr Sunil Dutt

■ Pranab Mukherjee (Cong) ■ Arjun Singh (Cong) ■ Sharad Pawar (NCP)
■ Laloo Prasad Yadav (RJD) ■ Shivraj Patil (Cong) ■ Ram Vilas Paswan (LJP)
■ Gulam Nabi Azad (Cong) ■ Jaipal Reddy (Cong) ■ Seeshram Ola (Cong)
■ P Chidambaram (Cong) ■ Mahavir Prasad (Cong) ■ PR Kyndiah (Cong)
■ TR Baalu (DMK) ■ Sankar Sinh Vagela (Cong) ■ K Natwar Singh (Cong) ■ Kamal Nath (Cong) ■ HR Bharadwaj (Cong) ■ PM Sayeed (Cong) ■ Raghuvansh Prasad Singh (RJD) ■ PR Das Munshi (Cong) ■ Mani Shankar Aiyer (Cong) ■ Sunil Dutt (Cong) ■ Meira Kumar (Cong) ■ K Chandrasekhar Rao (TRS) ■ Shibu Soren (JMM) ■ A Raja (DMK) ■ Dayanidhi Maran (DMK) ■ Anjumani Ramdoss (PMK)

#### MoS (Independent)





Mr Jagdish Tytler

Ms Renuka Chowdhury

■ Santosh Mohan Deb (Cong) ■ Jagdish Tytler (Cong) ■ Oscar Fernandes (Cong) ■ Renuka Chowdhury (Cong) ■ Subodh Kant Sahay (Cong) ■ Kapil Sibal (Cong) ■ Vilas Muttemwar (Cong) ■ Kumari Selja (Cong) ■ Prafful Patel (NCP) ■ Premchand Gupta (RJD)

#### **Ministers of State**

■ E Ahmed (IUML) ■ Suresh Pachauri (Cong) ■ BK Handique (Cong) ■ Banabaka Laxmi (Cong) ■ D Narayan Rao (Cong) ■ Shakeel Ahmed (Cong) ■ Rao Indrajeet Singh (Cong) ■ Narayanbhai Ratwa (Cong) ■ Rehman Khan (Cong) ■ KH Muinayapa (Cong) ■ MV Rajashekharan (Cong) ■ Kantilal Bhuria (Cong) ■ Manikrao Gavit (Cong) ■ SP Jaiswal (Cong) ■ Prithviraj Chavan (Cong) ■ Taslimudeen (RJD) ■ Suryakanta Patil (NCP) ■ Md AA Fatimi (RJD) ■ A Narendra (TRS) ■ R Velu (PMK) ■ SS Padmimanikam (DMK) ■ S Raghupati (DMK) ■ K Venkatapati (DMK) ■ Subhalaxmi Jagdeesan (DMK) ■ EVK Elangovan (Cong) ■ K Singh (RJD) ■ Namonarayan Meena (Cong) ■ J P Narayan Yadav (RJD) ■ Akhilesh Singh (RJD)

STATE

23 MAY 1994

# Last minute hiccup, thanks to Paswan

MOHAN SAHAY STATESMAN NEWS SERVICE

NEW DELHI, May 22. — After 10 days of prolonged parleys, negotiations and some tough bargaining, the new government was finally in place today. There were some last minute hiccups too; Mr Ram Vilas Paswan, for instance, peeved at not being given the railways portfolio, said he would stay away from the oath-taking. A little before the ceremony he was pacified and was present at Rashtrapati Bhavan to take oath as Cabinet minister.

(The Congress-RJD-LJP alliance in Bihar tonight seemed to be cracking with LJP chief Mr Ram Vilas Paswan announcing that the tie-up was meant only for the Lok Sabha elections and not for the Bihar Assembly polls to be held next year, PTI adds. "We are free to choose our own candidates for the Assembly elections," he said.)

The inclusion of Mr Laloo Prasad Yadav along with Mohammed Taslimuddin in the council of ministers will probably take its own toll. The Congress-led government will have a lot of explaining to do to defend the participation of the two RJD leaders in the government.

The roll call at the swearing-in ceremony was an indication of the position of various ministers. After Dr Manmohan Singh was sworn in as Prime Minister, the next man to be called was Mr Pranab Mukherjee, conferring the leader from West Bengal with the status of the number two man in the Cabinet.





Dr Manmohan Singh being sworn in as Prime Minister by President APJ Abdul Kalam. (Right) A 1970 photograph of Dr Singh, his wife Gursharan and their second daughter. - PTI

the new arrangement. He was fol- poll campaign, was only the sixth embrace and sought his blessings. lowed by Mr Laloo Yadav of the minister of state (independent RJD showing the clout he enjoys in charge) to be sworn in. He had been his mentor Mrs Sonia Gandhi. the Congress

Two Congress leaders who lost the elections were surprise inclusions in mohan Singh took a few steps for- with folded hands. Mrs Gandhi on

expecting a cabinet position.

me number two man in the Cabinet.

Mr Arjun Singh came next.

Mr Sharad Pawar, though from an ally, was the fourth Cabinet minister to be sworn in showing the importance of the Maratha leader in interval of the BJP so effectively during the interval of the sweeping in the cabinet. Mr Shivraj Patil and the Cabinet monan Singh took a few steps for ward to greet outgoing Prime ward to greet Dr Singh.

Mr PM Sayeed were given berths.

Mr Kapil Sibal, the outspoken Congress spokesman who took on importance of the Maratha leader in the Cabinet. Mr Shivraj Patil and ward to greet outgoing Prime ward to greet outgoing Prime her part got up to greet Dr Singh.

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Mr Bandle Rections were seen occupying the last row chairs of Ashok Hall.

Singh, Mr IK Gujral and Mr Ho Singh took a tew steps for civil aviation. He saye the part got up to greet Dr Singh.

Mr PM Sayed were seen occupying the last row chairs of Ashok Hall.

Singh Pr Mr Hardle Saye the part got up to greet Dr Singh.

Mr PM Sayed we

Showing true humility, Dr Man- he went to her and thanked her

Mr L K Advani along with Dr MM Joshi and Mr George Fernandes Immediately after he was sworn in, were among others from the NDA to grace the occasion. Dr Joshi and Mr Fernandes were seen occupying the

# Singh reluctant to give rail to Laloo

NEW DELHI, May 22. — Although the Presidential communique is still awaited since the Prime Minister will recommend the allocation of departments to his council of ministers only tomorrow, it is almost certain that Dr Manmohan Singh will keep finance with him.

The other key portfolio of home is likely to go to Mr Pranab Mukherjee though Mr Arjun Singh too is hoping to go to North Block. He has been sounded to head the HRD ministry — a post he held in the Narasimha Rao government. Mr Sharad Pawar is reconciled to head the ministry of agriculture and food.

Dr Singh has some reservations in handing over the country's lifeline - the railways - to Mr Laloo Prasad Yadav given his track record in running Bihar.

Mr Shivraj Patil, who once was minister of state (defence production) is tipped to become the next defence minister. Mr Hansraj Bhardwaj is likely to be the new law minister. Mr K Natwar Singh is the obvious choice for the foreign ministry. Mr Shibu Soren (JMM) may get charge of tribal welfare. Mr Praful Patel is tipped to be next minster of state (independent charge) for civil aviation. He said as much to various TV channels

# OLD ORDER RULES

K. SUBRAHMANYA

New Delhi, May 22: Prime Minister Manmohan Singh took the reins of governance this evening. So did the old guard.

Meeting the 5.30 deadline with hardly an hour to spare, Singh led to Rashtrapati Bhavan a 67-member council of ministers which has a considerable representation of minorities and weaker sections but a negligible presence of the young - a key factor of Elections 2004.

Women were another casualty, accounting for only 11 per cent of the entire ministry with a lone berth in the 28-member

Sown in the precarious balancing act - which forced Singh to increase the size of the first lot and leaves him not much room for maneeuvre later as a new law limits the total size to 82 — were inevitable seeds of discontent.

Ram Vilas Paswan, who kept Singh on tenterhooks through the day and took oath only after V.P. Singh shuttled between the Bihar politician and Sonia Gandhi, tonight threatened to walk out of the alliance in the state for the Assembly polls.

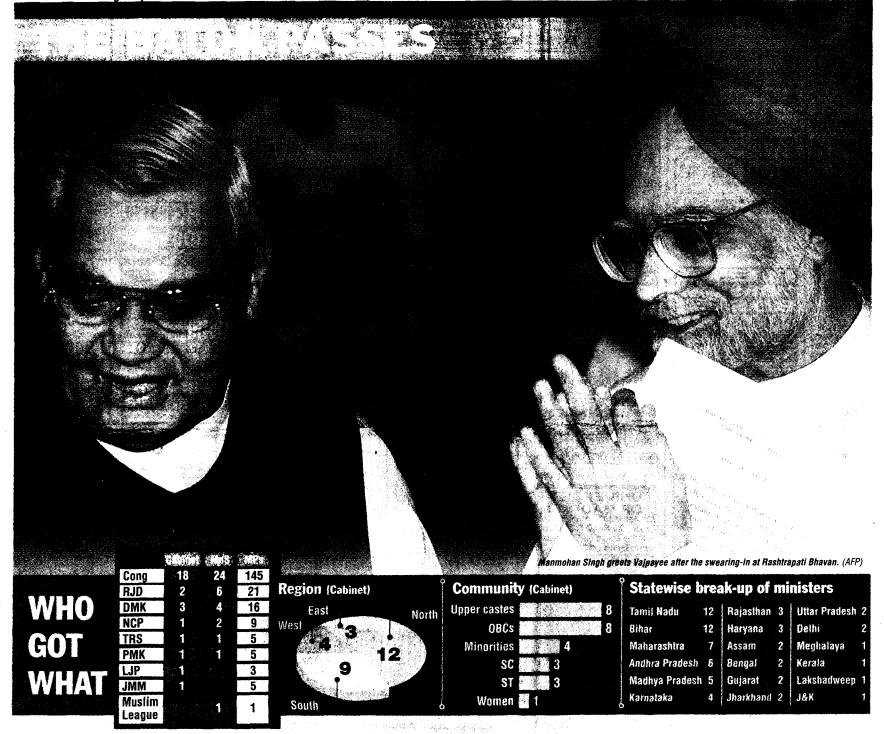
A last-minute surgery on the list of portfolios to appease Paswan set off a chain reaction of murmurs that ensured the berths could not be announced as usual after the swearing-in today. The portfolios are expected to be made public tomorrow when Singh holds his first cabinet

Health, besides chemicals, was offered to Paswan as consolation for giving up railway to Laloo Prasad Yadav. But the compromise touched a raw nerve in the PMK, which was keen on

Asked about the scramble for berths, Sonia, who was beaming throughout the ceremony, said: "It is usual when different people with different ideologies come together. But there is no problem. It will be a stable government.

Reflecting the regional shift in the power equations, Singh's ministry has several faces from the south — Tamil Nadu has as many as 12 ministers. Bihar, too, has 12 while political behemoth Uttar Pradesh has only two.

'India is a country of great diversity. This cabinet reflects that diversity much more than any of its predecessors," said Singh, who drove straight to his office in South Block



after being sworn in.

But the overriding feature of his ministry is the presence of the Congress' old guard and loyalists of 10 Janpath.

The Congress contingent is packed with war horses like Arjun Singh, K. Natwar Singh and H.R. Bhardwaj. Loyalists like Shivraj Patil and P.M. Sayeed have found place in the cabinet, though they both lost the elections. A surprise inclusion in the

cabinet is P. Chidambaram, who is yet to formally rejoin the Congress. But his past loyalty to the family worked in his favour.

The choice of ministers of state from the Congress also showed that the party leadership preferred loyalty and experience, though some of them like Santosh Mohan Dev, Jagdish Tytler and Kapil Sibal were expecting cabinet berths. After nearly 25 years of work in the party and unstinted loyalty to the family, general secretary Oscar Fernandes found a slot as minister of state.

The 28 cabinet-rank ministers — 10 are from the allies took oath according to their order of seniority in the new government. Pranab Mukherjee, the first to take oath after Singh, is considered number two in the hierarchy. Bengal has another cabinet minister. Priva Ranjan

The ministry-makers also seem to have laid stress on an undeclared combine of upper castes, other backward classes and minorities. In the cabinet, upper castes and OBCs have 12 members each and minorities four. The whole council has nine from the minority communities.

Among the allies, M. Karunanidhi's DMK is the winner with three cabinet slots. Laloo Prasad's RJD — the largest coalition partner after the Congress — has two cabinet berths and six ministers of state. Of the 39 ministers of state, 15 have gone to the allies. Laloo Prasad, not keen on moving to Delhi till late last night, was also sworn in.

With Tamil Nadu and Bihar bagging the lion's share, states like Orissa, Chhattisgarh, Uttaranchal and Himachal Pradesh have no representation. ■List of ministers on Page 8

# Missing: seal of Singh and Sonia

RASHEED KIDWAI

New Delhi, May 22: The ministry-making was a marathon race that ensured Manmohan Singh and Sonia Gandhi sweated for as many as 16 hours. Yet, the final product lacks the stamp of either Singh or Sonia.

The council of ministers is a picture of compromises. The strains of coalition politics and intra-Congress feuds are written all over the list. Singh, a "politician-bureaucrat" was forced to reward loyalty at all

The line-up of 28 cabinet ministers reveals no dearth of talent, expertise and regional or religious representation. What is lacking is a degree of cohesiveness, a team spirit that could deliver results fast and without

Congressmen themselves are not too happy with some of the choices, wondering how the image-conscious Sonia and Singh gave the green signal to those like Laloo Prasad Yadav, Sibu Soren and Taslimuddin, all accused in corruption or criminal cases. This is a far cry from Sonia's resolve to make the Congress a party of the "best and the brightest"

Singh, who acted as the party's conscience keeper and headed the Congress' ethics panel, had vetoed tickets to many "tainted" leaders while Sonia had wasted no time in suspending a leader over his son's alleged involvement in the Jessica Lal mu-

Sharad Pawar, Arjun Singh, Natwar Singh, Shivraj Patil, Laloo Prasad, Pranab Mukherjee, Ram Vilas Paswan and P. Chidambaram are some of the most experienced politicians in the country but the big question doing the rounds in the Congress circles is whether they can work together.

It is an open secret that Arjun, Paswan and Laloo Prasad differ on most socio-economic issues with Pawar, Pranab and Chidambaram because they have been around too long and held too many important portfolios to restrict themselves to their respective ministries.

As soon as the swearing-in was over, a whisper campaign began in the Congress about the possibility of influential cabinet ministers teaming up with "likeminded persons" and pursuing their agenda. If the speculation comes true. Singh could be in trouble sooner than later.

Size too matters. A close associate of Singh said: "A council of ministers of 67 does not inspire confidence. It reeks of compromises and lethargy. There is a shortage of fresh faces, women and youngsters."

Other sources close to Singh, however, said the exercise should be seen in the context of "coalition dharma" where contradictions have to be managed and leaders have to sink differences to achieve the "broader

The Singh camp is counting heavily on Sonia to frequently rein in and check potential mischief-makers within the party and mavericks among the allies.

Throughout today, Singh struggled with portfolio finalisation. Shivraj Patil's name came from nowhere for defence after Pawar showed preference for agriculture and food. P.M. Sayeed's name popped up from 10 Janpath and given his popularity within the Congress, Singh readily agreed, discarding a principle that defeated candidates should not be included at the first instance.

If Singh is given a chance, he would count on the relatively 'young" and freshers in his team. This group includes Kapil Sibal, Prithviraj Chavan, Mani Shankar Aiyar, P.R. Das Munshi, Sunil Dutt, Jaipal Reddy, B.K. Handique and Renuka Chowd-

Manmohan, however, has sought to satisfy almost all the allies. His initial success of meeting the deadline to pick the team is no mean achievement.

The minorities and the weaker sections have received generous representation and these groups are going to ensure stability. But the threat to Singh does not come from outside. It is

Buzz flies around Rahul factor as Generation-Ex scores at the expense of young blood

#### III IIUIIINCI as McII as age

ALOKE TIKKU

New Delhi, May 22: Till Rahul Gandhi learns the ropes in Parliament one step after halting step, GeNext MPs might just have to sit out from government and play the waiting game.

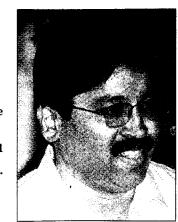
As Manmohan Singh took charge of the country today with a 60-plus ministry, neither did the old order change nor did it yield place to the new. Salt and pepper 60-plus MPs bagged practically all portfolios, plum and not so plum, giving short shrift to the

Not a single berth went to the likes of Jyotiraditya Scindia, Sachin Pilot, Sandeep Dikshit, Jitin Prasada or Milind Deora — all winners from their constituencies and, in some cases, even giantkillers. Dynasty gifted them Congress tickets from Guna, Dausa, East Delhi, Shahjahanpur and South Mumbai, but failed to find them berths. Observers suggest the reason could be the preference of Rahul

- Dynasty's First Scion — to cut his teeth as an MP and not get into the hurly-burly of ministership rightaway. Apparently, the Congress high command does not want MPs of Rahul's age to hog the limelight so early and possibly get a headstart over

"Rahul's decision seems to have been a factor against pushing the younger MPs... no one wants competition," an observer said.

The only young MPs who managed to sneak into a predominantly "greying"



Davanidhi at the swearing-in ceremony. (AFP)

ministry are 34-year Dayanidhi Maran and 40-something Anbumani Ramadoss. But then, neither of them is from the

Dayanidhi, son of late Murasoli Maran and an MBA from Harvard, is from the DMK. Anbumani — the only person to have come in a suit for the swearing-in — is the son of PMK founder S. Ramadoss and is being groomed as the "face of the next generation" in that party.

That the Congress, which not very long ago took potshots at the ageing face of the BJP leadership, has overlooked GeNext—even women have not had a happy time, only one has made cabinet rank — is jarring to say the least. It is not likely to bode well in states like Uttar Pradesh, Gujarat and Rajasthan where the Congress will have to do much hard work.

In Uttar Pradesh, cabinet berths have gone to Mahabir Prasad and Sri Prakash Jaiswal, both former state Congress chiefs in their seventies. In Gujarat, the not-so-young Shankersinh Vaghela — who was in the BJP — has been rewarded. Seventyseven-year-old Sis Ram Ola and Natwar Singh are the faces from

As of now, the "youngest" in the team are Mani Shankar Aiyar, Kamal Nath, Ghulam Nabi Azad, Meira Kumar and Priya Ranjan Das Munshi, all aged between 55 and 60. Facing them across the table will be 60 and 70-plus veterans — Shivraj Patil, Pranab Mukherjee, Jaipal Reddy, H.R. Bhardwaj, Sunil Dutt and Arjun Singh, to name a few.



Singh with Congress chief Sonia Gandhi after taking oath of office on Saturday. (AFP)

#### **IN BRIEF**

#### Ban on

London, May 22 (Reuters): The Commonw ealth today announced it was lifting its suspension of Pakistan from the 53-member organisation. saving the country had made progress on democratic reforms. ■ See Page 5

Metro on Sunday with today's edition

QUOTE

The council of ministers shows India's diversity and India's flexibility

MANMOHAN SINGH

# ছাটাই কর্মীর জন্য নয়া বিমা প্রকল্প অযোধ্যা-মীমাংসা কোর্টেই • উঠছে পোটা • গ্রামে পানীয় জল



#### শিক্ষার গৈরিক-মুক্তি, কর্মসংস্থান আর খাদ্য-নিরাপত্তায় কর্মসূচি চায়

প্রসুন আচার্য

কেবল শিল্প-মহল নয়, সাধারণ মানুষের দিকে তাকিয়ে সংস্কার কর্মসচি, প্রশাসনের বিভিন্ন স্তর, বিশেষত শিক্ষা ক্ষেত্র থেকে গৈরিকীকরণ বিদায়ের লক্ষ্য নিয়েই কংগ্রেসকে ন্যুনতম সাধারণ কর্মসূচি তৈরি করতে বলবে সি পি এম। সেই সঙ্গে গরিবদের জনা খাদ্য-নিরাপত্তা, কর্মসংস্থানের দিকে লক্ষ রেখে উন্নয়ন, শিক্ষা ও স্বাস্থ্য খাতে অতিরিক্ত বরাদ্দের দাবিও থাকবে। শুক্রবার দলের পলিটব্যুরোর সদস্য সীতারাম ইয়েচুরি এ কথা জানিয়েছেন। সি পি এমের দাবি, বিদেশনীতির ক্ষেত্রেও আমেরিকার পক্ষ থেকে সরে এসে স্বাধীন নিরপেক্ষ পথ নিতে হবে।

কংগ্রেস জোট সরকারের ন্যুনতম সাধারণ কর্মসচির ক্ষেত্রে সি পি এম কী প্রস্তাব দেবে, তা নিয়ে কলকাতা ও তিরুঅনম্ভপুরমে দলের পলিটব্যরোর সদস্যেরা এ দিন বৈঠকে বসেন। কলকাতায় ইয়েচুরির সঙ্গে বৈঠকে বসেন মুখ্যমন্ত্রী বুদ্ধদেব ভট্টাচার্য, ত্রিপুরার জানান, ই কে নায়নারের মৃত্যুর কারণে পলিটব্যুরোর সদস্যেরা জানিয়ে দেন ইয়েচুরি। দিল্লি যাওয়ার আগে ইন্দিরা ভবনে গিয়ে সাধমে খাদ্য-নিরাপত্তা সুনিশ্চিত করার উপরে জোর দিতে হবে। বসুর সঙ্গেও এক প্রস্ত আলোচনা সেরে নেন তিনি।

নইলে ধর্মনিরপেক্ষ সরকার হিসাবে মনমোহন সিংহ সরকারকে হলে সরকার, শ্রমিক, ও পরিচালন-কর্তৃপক্ষ মিলে ব্রিপাক্ষিক বৈঠক সমর্থন করা হবে বাইরে থেকে। তখন কিছু কর্মসূচির ক্ষেত্রে সমর্থন 🏻 করতে হবে। সেখানেই ঠিক হবে, কী ভাবে শিল্প বন্ধ করা হবে। করা হবে, সমালোচনাও করা হবে কিছু ক্ষেত্রে। বুদ্ধবাবু, ইয়েচুরি, 🏻 শ্রমিকেরা কী ভাবে তাঁদের পাওনা পাবেন? অনিলবাবু বলেন, অনিলবাবু মনে করেন, এখনই কোনও সমস্যা হবে না। তবে যে-হেতু কংগ্রেস এবং সি পি এমের ঘোষণাপত্র আলাদা, তাই আগামী আমাদের ঘোষণাপত্র আছে। সূতরাং ন্যুনতম সাধারণ কর্মসূচি দিনে কিছু ক্ষেত্রে, বিশেষ করে শিল্প-সংস্কার ও ভূমি-সংস্কারের 👚 গ্রহণের ক্ষেত্রে কোনও সমস্যা হবে না।"

ক্ষেত্রে বিরোধ দেখা দিতে পারে। তখন সি পি এম যাতে সরকারের বিপক্ষে কথা বলতে পারে, সেই পথও খোলা রাখা হচ্ছে। তবে ইয়েচুরি-সহ পলিটব্যুরোর সদস্যেরা মনে করেন, বামেদের সঙ্গে যে-বিরোধই হোক না কেন, মনমোহন সরকার পাঁচ বছর চলবে।

নির্বাচনের আগে সি পি এম যে-ঘোষণাপত্র তৈরি করেছিল, তার ভিত্তিতেই পলিটব্যুরোয় আলোচনা হয়েছে। পশ্চিমবঙ্গ, ত্রিপুরা ও কেরলকে সামনে রেখেই সি পি এম সরকারে যোগ দেয়ন। কারণ, ওই সব রাজ্যের দুই-তৃতীয়াংশ নেতাই সরকারে যোগ দেওয়ার বিপক্ষে ছিলেন। পলিটব্যুরোর সিদ্ধান্ত নিয়ে শনিবার রাজ্য সম্পাদকমগুলী আলোচনায় বসছে। অন্য দিকে, মানিকবাবু দলীয় সিদ্ধান্তের কথা ত্রিপুরা ইউনিটকে জানাবেন।

ইয়েচুরি বলেন, "গত পাঁচ বছর ধরে সংস্কার কর্মসূচি চলছিল কেবল কর্পোরেট জগতের লাভের দিকে তাকিয়ে। কর্পোরেট জগতের লাভ এবং সাধারণ মানুষের উন্নয়ন, এই দুইয়ের মধ্যে ভারসাম্য রক্ষা করে সংস্কার কর্মসূচি চালাতে হবে।" মনমোহন মুখ্যমন্ত্রী মানিক সরকার, জ্যোতি বসু ও অনিল বিশ্বাস। অন্য দিকে, সিংহ সেই কথা বলছেন। সি পি এম তাতে সম্ভন্ত। কিন্তু কী ভাবে তিরুঅনন্তপুরমে বৈঠকে বসেন প্রকাশ কারাত, বিমান বসু, ভি এস কথা ও কাজে মিল আনা যায়, তা দেখাই এখন সি পি এমের লক্ষ্য। অচ্যুতানন্দন, পিনারাই বিজয়ন, এস আর পিল্লাই প্রমুখ। আজ, ইয়েচুরি বলেন, "গত পাঁচ বছর ধরে বি জে পি-র সাম্প্রদায়িক শনিবার ন্যুনতম কর্মসূচির ব্যাপারে কংগ্রেসকে প্রস্তাব দেওয়ার 📉 কর্মসূচির দিকে লক্ষ রেখেই শিক্ষা থেকে প্রশাসন— সব জায়গায় আগে এই ভাবেই দু'জায়গায় পলিটব্যুরোর বৈঠক হল। অনিলবাবু কাজ হয়েছে। তাই পাঠ্যক্রম তৈরি থেকে এন সি ই আর টি, ইতিহাস ও কারিগরি গবেষণা— সব জায়গাতেই পরিবর্তন আনতে দু জায়গায় থাকায় একসঙ্গে বৈঠক করা সম্ভব যায়নি। দলীয় সূত্রের হবে। প্রতিষ্ঠিত করতে হবে ধর্মনিরপেক্ষতা।" তাঁর মতে, গত পাঁচ খবর, বৈঠকের পরে কলকাতা ও তিরুঅনস্তপুরমের মধ্যে ফোনে স্বছরে কৃষি ক্ষেত্রকে গুরুত্ব দেওয়া হয়নি। দেশ জুড়ে কয়েক হাজার কথাও বলে নেন দলের শীর্ষ নেতারা। রাতেই কলকাতার বৈঠকের কৃষক আত্মহত্যা করেছেন। সূতরাং কৃষিকে শক্তিশালী করার সিদ্ধান্ত দলের সাধারণ সম্পাদক হরকিষেন সিংহ সুরজিৎকে পাশাপাশি উদ্বন্ত খাদ্য গরিবদের মধ্যে বিতরণ করা, রেশন ব্যবস্থার

শিল্প ক্ষেত্রে সি পি এমের বক্তব্য ইয়েচুরি আগেও জানিয়েছেন। দলীয় সূত্রের খবর, কংগ্রেস যদি সি পি এমের কথা মেনে এ দিনও তিনি বলেন, রাষ্ট্রায়ন্ত শিল্পের নবরত্ব বিক্রি করা চলবে না। ন্যনতম কর্মসূচি তৈরি করে, তবেই সেই কর্মসূচিতে সই করা হবে। স্বন্য দিকে, রুগ্ণ ও লোকসানে চলা শিল্প যদি বন্ধ করতেই হয়, তা ''আমাদের কাছে কংগ্রেসের ঘোষণাপত্র আছে। কংগ্রেসের কাছেও

#### অভিন কর্মসূচির প্রাথমিক খসড়াকে স্বাগত বামপন্থীদের

২১ মে: সংস্কারের মানবিক মুখ খোঁজার চেষ্টায় এ বার কর্মীদের মাথার উপর নিরাপত্তার ছত্রছায়া হিসাবে নতুন ধরনের বিমাপ্রকল্প চাল করার কথা ভাবছে কংগ্রেস। এই বিমাপ্রকল্প চালু হলে শিল্পক্ষেত্রে আচমকা ছাঁটাই বা ক্লোজারের কবলে পড়া কর্মীরা ওই বিমা থেকে তাঁদের বিদায়কালীন পাওনা হিসাবে বাড়তি টাকা পেতে পারবেন। এ জন্য প্রয়োজনীয় অর্থ সংগ্রহ করতে সংগঠিত ক্ষেত্রে কর্মীদের বেতনের উপর দুই শতাংশ হারে 'সেস' বসানোর কথাও ভাবা হচ্ছে। অর্থাৎ, এক দিকে সংস্কারের কোপে পড়া মান্যদের বিপদে পাশে দাঁড়ানোও হবে, অন্য দিকে, এ জন্য পুরনো দিনের মতো সরকারি ঘাটতি বাড়িয়ে ভর্তুকি দিতে হবে না। শুধু আগো স্থিতাবস্থা বজায় রাখা হবে। আরও একটি রাজনৈতিক দিক

সংগঠিত ক্ষেত্রেই নয়, অংসগঠিত ক্ষেত্রের শ্রমিক-কর্মীদেরও একই ধরনের বিমাপ্রকল্পের আওতায় নিয়ে আসার চেষ্টা হবে। কংগ্রেসের এক প্রবীণ নেতার কথায়, এটা 'পপুলিজম' নয়, বাস্তবকে স্বীকৃতি দেওয়া। মনে হয়, 🔮 শরিকদের এটা মানতে আপত্তি হবে না। কংগ্রেস মনে করছে, এতে বিশেষ করে বামপন্থীরা খুশিই হবেন। কংগ্রেস জোট সরকারের নানতম অভিন

ভিতরের পাতায়

নয়া পাঠ্যক্রম নয় উচ্চ মাধ্যমিকে

🛖 মনমোহনে মোহিত শিল্পাঞ্চল

🗨 স্বামীর বিয়ে দিয়ে প্রতিবাদ

বাঁকুড়ায় গমচাষিরা বিপয়

কর্মসূচির যে প্রাথমিক খসড়া তৈরি হয়েছে, তাতেই এ কথা বলা হয়েছে। বাম ও সব জোট শরিকদের কাছে আজ এই খসড়া পাঠানো হয়েছে। প্রাথমিক প্রতিক্রিয়ায় বাম নেতারা বলেছেন, এই 🏻 কর্মীদের সামাজিক নিরাপত্তার জন্য নতুন ধরনের বিমার কথা কর্মসূচি 'সাধারণ ভাবে গ্রহণযোগ্য'।

ূএই কর্মসূচিতে কৃষি, আর্থিক উন্নয়নের সঙ্গে কর্মসংস্থান বৃদ্ধি এবং গ্রামোরয়ন প্রকল্পে অতিরিক্ত পুঁজি নিবেশের কথা বলা অনুমত অংশের জন্য কাজ করার উপর জোর দেওয়া হলেও কংগ্রেসের একাংশ মনে করছে। তবে বাম মহলের কথা ভেবেই সংস্কার প্রক্রিয়া চালু রাখার কথাও জোর দিয়ে বলা হচ্ছে। সেই সঙ্গে বলা হয়েছে, সামাজিক পরিকাঠামো তৈরির দিকে নতুন এই বিমা প্রকল্পের রূপরেখা পুরোপুরি জানা না গেলেও জানা সরকার বিশেষ নজর দেবে। বিদ্যুৎ, সভ়ক, সেচের জল, সামাজিক যাছে, মনমোহন অর্থমন্ত্রী থাকাকালীন যে শ্রম ও সামাজিক বনসূজন, গরিব ও নিম্ন আয়ের চাকুরিজীবীর জন্য আবাসন প্রকল্প

অগ্রাধিকার পাবে। রাজীব গাঁধীর আমলে শ্যাম পিগ্রোদাকে দিয়ে টেকনোলজি মিশন করে বিশেষ ফল পাওয়া গিয়েছিল। আবার টেকনোলজি মিশন চালু হচ্ছে। গ্রামের মানুষের জন্য পানীয় জল আর গ্রামে ও শহরের বস্তি এলাকায় উন্নত পয়ঃপ্রণালীর ব্যবস্থা করতে এই মিশন কাজ করবে। আট শতাংশ বার্ষিক উন্নয়ন এবং ২০০৯ সালের মধ্যে সরকারি কোষাগারের ঘাটতি মিটিয়ে ফেলতে সচেষ্ট হবে সরকার। ও এন জি সি, এন টি পি সি-র মতো তেল ও বিদ্যৎ সংস্থাগুলি কোনও ভাবেই বেসরকারীকরণ করা হবে না। তবে শেয়ার বাজারে ক্ষুদ্র লগ্নিকারীদের স্বার্থরক্ষার কথাও আছে।

অন্য দিকে, রাজনৈতিক ক্ষেত্রে প্রথমেই বলে দেওয়া হচ্ছে, অযোধ্যা বিবাদের মীমাংসা একমাত্র আদালতেই করতে হবে। তার

> থেকে স্পর্শকাতর বিষয় অভিন্ন কর্মসূচিতে স্পষ্ট করে দেওয়া হল—'পোটা' প্রত্যাহার করা হবে। ডি এম কে এবং তার সহযোগী অন্য তামিল দলগুলি এ ব্যাপারে কংগ্রেসের কাছে আগাম প্রতিশ্রুতি দাবি করেছিল। সাম্প্রদায়িক দাঙ্গার তদন্ত শুধু কেন্দ্রীয় সরকারের অধীনস্থ সংস্থাই যাতে করতে পারে তার জন্য আইন করার কথাও বলা হয়েছে।

শিল্পক্ষেত্রে কর্মী ছাঁটাইয়ের যে নতুন বাস্তবতা সংস্কারের হাত ধরে এক দশকে ধীরে ধীরে চাল্ হয়েছে তা স্বীকার করে নিয়েই কংগ্রেস এ বার অভিন্ন কর্মসচিতে ভাবতে বাধ্য হয়েছে। কংগ্রেসের এক প্রবীণ নেতার ব্যাখ্যা, এই বিমাপ্রকল্প চালু হলে কর্মী ছাঁটাইয়ের প্রতিক্রিয়া আগের মতো এত খারাপ হবে না। এই ধরনের বিমাপ্রকল্প থাকলে শিল্পবিরোধ আইন হয়েছে। খসড়া কর্মসূচিতে সাধারণ মানুষের, বিশেষ করে গরিব ও ও শ্রম আইন সংশোধন করতেও বেগ পেতে হবে না বলে সরকার শ্রম আইন সংস্কারের দিকে খুব ধীরে চলবে। এখনও পর্যন্ত এর পর সাতের পাতায়

#### Common code at a glance

The following are the key elements of the draft of the common minimum programme of the United Progressive Alliance: **Employment** 

- •Act to provide legal guarantee for at least 100 days of employment to each rural household a
- Vastly expanded credit facilities for small industry and selfemployment

#### Agriculture

- •Higher public investment, particularly in the central and eastern regions
- •Full implementation of minimum wage laws for farm labour
- •Protective law for all farm workers
- Controls that depress farm income to be removed

#### Education, Health

- •Raise public spending on education to at least 6 per cent of **GDP**
- •Education commission and cess on central taxes to finance access to quality basic education
- Reverse communalisation of education

#### **Economic reforms**

- •Will continue to stimulate growth, investment and employment
- •Reforms in agriculture, industry and services

#### Defence, Internal security

- •Full-time national security adviser
- •Anti-terror law to be repealed but existing laws to be strictly enforced

- Foreign policy
  •Highest priority to ties with neighbours. Talks with Pakistan on all issues
- Closer strategic and economic engagement with the US

#### Food security

- Medium-term strategy for food and nutrition, stronger PDS for the poorest
- Schemes to reach foodgrain to the destitute and infirm.

#### Panchayati raj

•Funds for poverty alleviation

and rural development directly to panchayat bodies

#### **Minorities**

- •Implementation of Protection of Places of Worship Act, 1992
- •Law on communal violence providing for investigation by central agency, prosecution by special courts and payment of uniform compensation
- •Promote modern education among minority communities

#### Water resources

- ●Examine techno-economic feasibility of linking rivers
- •End drinking water shortage in cities, especially in south

#### Regional development

- •Redress growing regional imbalances, among states as well as within states through fiscal and other means
- •A second states reorganisation commission

#### Administrative reforms

•Introduce state funding of elections

#### Industry

- •Steps to revive industrial growth
- •Set up national manufacturing competitiveness council
- •Full managerial autonomy for nationalised banks

#### Labour

- •Social security, health insurance and other schemes
- ●Automatic hire-and-fire not to be allowed

#### **Public sector**

- •ONGC, IOC, HPCL, BPCL, Gail, SAIL, NTPC and Bhel will remain in public sector, but divest-
- ment will take place
  •Chronically loss-making companies will be sold or closed down

#### Fiscal policy

- •Revenue deficit to be eliminated by 2009
- Value-added tax to be implemented

#### Capital markets

•Committed to orderly development and functioning of capital markets through tax and other policies.

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#### 'POTA WILL BE REPEALED'

#### **Draft CMP proclaims six governing principles**

By Our Special Correspondent

CHENNAI, MAY 21. The Common Minimum Programme being finalised by the 14 constituents of the United Progressive Alliance led by the Congress and the Left proposes six basic principles of governance: protecting social harmony; ensuring growth of economy at seven to eight per cent; enhancing the well-being of farmers; empowering women; providing full equality of opportunity in education and employment to dalits, tribals, other backward classes and the religious minorities; and unleashing the creative potential of entrepreneurs and productive forces.

The 16-page second draft of the CMP

The 16-page second draft of the CMP identifies employment generation, agriculture, education, the welfare of the minorities, regional development, the well-being of workers, and strengthening of the public sector among the priorities of the new UPA government. While noting that the Prevention of Terrorism Act (POTA) has been grossly misused, the draft CMP promises to repeal it

The UPA government will devolve full managerial and commercial autonomy to successful, profit-making companies operating in a competitive environment. Privatisation will be considered on a case-by-case basis. The government will retain ONGC,

IOC, HPCL, BPCL, GAIL, NTPC, SAIL and BHEL in the public sector while disinvestment takes place. Chronically loss-making companies will either be sold off or closed after all workers have got their legitimate dues and compensation. "The UPA government believes that privatisation should increase competition, not decrease it. It also believes there must be a direct link between privatisation and social needs," the draft CMP says.

The new government will take steps to "revive industrial growth and put it on a robust footing" through continued deregulation and other policies. "The country needs and can easily absorb at least two to three times the present level of Foreign Direct Investment inflows," the draft CMP asserts. Indian industry will be given every support to become productive and competitive. "All regulatory institutions will be strengthened to ensure that competition is free and fair," it adds.

Expressing its commitment to ensure the welfare of all workers, the document says social security for unorganised workers will be expanded. While recognising that some flexibility will have to be provided to industry in the matter of labour policy, the draft CMP expresses itself against the idea of "automatic hire and fire."

A National Employment Guarantee Act will be enacted to provide a legal guarantee of at least 100 days of employment on assetcreating public works programmes every year at minimum wages for every rural household.

The draft CMP states that the new government will await the verdict of the courts on the Ayodhya issue while encouraging negotiations between parties to the dispute for an amicable settlement. A comprehensive law on communal violence will be enacted providing for investigations by a central agency, prosecution by special courts, and payment of uniform compensation.

The UPA government will redress the

The UPA government will redress the growing regional imbalances among States as well as within States through fiscal and other means. The National Development Council will be made a "more effective instrument of cooperative federalism." The Inter-State Council will also be activated. A new Commission will be set up to go into Centre-State relations keeping in view the "sea-changes" that have taken place in the polity and economy of India since the Sarkaria Commission gave its report. A second States Reorganisation Commission will be set up to consider all demands for new States.

State funding of polis: Page 11

#### Focus on jobs, agriculture

NEW DELHI, May 21.—
The draft common minimum programme of the Congress-led United Progressive Alliance government has given top priority to agriculture and employment-oriented growth. It underlines the need to increase investment in the rural sector while rejecting privatisation of strategic oil and power PSUs as well as arbitrary "hire and fire" labour policy.

The draft, circulated to UPA constituents, will be finalised after consulting them. The Left parties have welcomed the draft CMP which proposes economic reforms with a human face.

The draft CMP says:
"The UPA government is firmly committed to ensure the welfare and well being of all workers, particularly

those in the unorganised sector who constitute 93 per cent of our work force".

The new government has sought up to 8 per cent annual growth and elimination of fiscal deficit by 2009. The CMP emphasises on social security, health insurance and other schemes for benefit of unorganised sector workers.

The draft states: "The UPA government will retain ONGC, IOC, HPCL, BPCL, GAIL, NTPC, SAIL and BHEL in the public sector." The perennially loss-making companies, it says, would either be sold off or shut down after workers have got their legitimate dues and compensation.

The new government, according to the draft, will take up privatisation on a

case-by-case basis with a focus on using disinvestment revenues for social sector schemes. Public sector companies and nationalised banks would be encouraged to enter capital market to raise resources and offer new investment avenue to retail investors.

Taking note of the manner in which Pota has been "grossly misused", the draft CMP proposes to repeal it while strictly enforcing anti-terrorism laws.

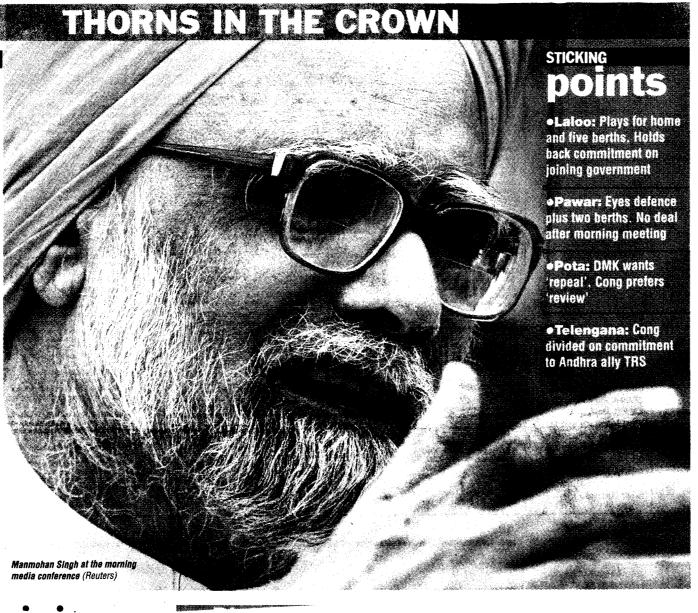
The draft accords "highest priority" to building "closer" relations with neighbours and continuing the dialogue with Pakistan on all issues on a "sustained basis" and "pursue seriously" talks on the border issue with China. — SNS

Left in no hurry over CMP, page 4

# Morning vision, nightmare da

#### who wants what

- •Railway: Paswan, DMK and RJD. Paswan frontrunner
- ●Finance: Left to him, Manmohan would like to keep it. But Pranab, Pawar and Chidambaram are also keen
- ●Petroleum: NCP's Praful Patel, RJD's Raghuvansh Prasad Singh and Congress' N. Janardhan Reddy
- ●External affairs: Natwar Singh wants it. But former ambassador to US Karan Singh is also interested
- •HRD: Arjun Singh is willing but frail health a handicap
- •IT: Jaipal Reddy wants it. So does DMK
- •Rural development: All allies want the milch cow
- •Civil aviation: Ghulam Nabi ahead but PMK also in the race
- Parliamentary affairs: Few takers for 'dry ministry'. Toss-up between Priya Ranjan Das Munshi and Ghulam Nabi
- •I&B: All allies are smacking lips. Ambika Soni and Jaipal also keen
- •Health: PMK wants it but Congress feels that Renuka Chaudhary will be a better bet
- •Speaker: Manmohan wants Somnath Chatterjee. If CPM does not oblige, Pranab or Jaipal Reddy may be considered



# Laloo seeks secular pound of flesh

#### RASHEED KIDWAI

New Delhi, May 20: Laloo Prasad Yadav is threatening to stay out of government and Sharad Pawar is threatening to merge with the Congress.

Welcome to the Prime Minister's chair, Dr Manmohan Singh. He began the day by outlining his policy vision and went to bed with the nightmare of managing a coalition.

Most trusted yesterday of Sonia Gandhi — the queen as he called her — Laloo Prasad today gave the coalition's ministry-making efforts a big shake by insisting on the home portfolio. An accused in the fodder scam case and now out on bail, the Rashtriya Janata Dal chief would not admit he has demanded home, saying only that he wants a package for the people of Bihar.

"Our options are open. We may not at all participate in the government and support it from the outside." he said.

"I have made a lot of promises to the people of Bihar. I have always blamed the Centre for doing injustice to Bihar. Now that a secular government is in office, I have to prove that my promises are being fulfilled."

Pawar, a former defence min-

ister pressing his case for the same portfolio, told Singh and Sonia that he should be considered a "Congressman" as his NCP would merge with the parent organisation. He had left the Congress making an issue of Sonia's foreign origin.

But he was told that in an era of coalitions, size would decide the weight of the portfolio. If a party with nine MPs, which is what he has, is rewarded with defence, Laloo Prasad (21) and the DMK (16) will demand more.

Sonia and Singh were having a tough time, not unexpectedly, settling even the ground rules for distributing portfolios.

tor distributing portionos.

Each time a name was cleared, opponents ganged up to scuttle his/her chances, offering counter-arguments, citing legal cases or poor health or advanced age and raising the Lok Sabha versus Rajya Sabha debate.

By late tonight, pressure mounted so much that Sonia's visit to Sriperumbudur to mark

#### QUOTE

I don't think the price should go up any further

MANMOHAN SINGH'S WIFE on cooking gas

Rajiv Gandhi's death anniversary came under cloud. Singh and a planeload of senior leaders were expected to accompany her. Sources said Sonia may still go but the visit could be short.

The Congress president rushed senior leader Arjun Singh and R.K. Dhawan to Laloo Prasad's house after the Bihar leader refused to meet M.L. Fotedar. Laloo Prasad told them he had made enough sacrifices for the sake of secularism and it was now time to be rewarded. So miffed was Laloo Prasad that he went back to Patna.

Finance is also a problem. Pranab Mukherjee met Sonia to deny reports he was not keen on serving under Singh. He is ready for home, defence, finance or the post of the Speaker.

Sources said Singh would like to retain finance for the first year and have three ministers of state. But the party feels that in the mad scramble for portfolios, the Prime Minister cannot afford the luxury of doubling as the finance minister. P. Chidambaram is the dark horse for finance.

The allies are eyeing all key ministries relating to infrastructure, such as transport, civil aviation, power and rural and urban development.

THE TELEGRAPH

21 MAY 2004

# President appoints Manmohan Prime Minister

NEW DELHI. MAY 19.Manmohan Singh, the former Union Finance Minister and author of the post-1991 economic reforms, and admittedly the cleanest man in Indian politics, will be the next Prime Minister of India, becoming the first person from a minority community to occupy the highest political office in the land. He will head the country's first ever Congress-led coalition, christened the United Progressive Alliance.

The President, A.P.J. Abdul Kalam, in exercise of his powers under Article 75(1) of the Constitution, appointed Dr. Singh the next Prime Minister. He was given the letter of appointment when, accompanied by the Congress president, Sonia Gandhi, he called on the President to hand over the letters of support from the allies and supporting parties of the Congress.

The swearing-in ceremony is likely to take place on Saturday. A press communiqué issued by Rashtrapati Bhavan noted: "The President, having satisfied himself on the basis of these letters that the Congress-led alliance did enjoy majority in the newly constituted 14th Lok Sabha and therefore was in a position to form a government which would be stable, appointed Dr. Manmohan Singh as the Prime Minister and requested him to indicate the Members of the new Council of Ministers, and the President will administer Oath of Office and Secrecy on a date and time to be indicated by Dr. Manmohan Singh.

#### No particular date to prove majority

Significantly, the letter of appointment did not mention any nation had given the mandate requirement that Dr. Singh prove his majority in the Lok Sabha by any particular date. relaxed Congress president — This means the new Prime Minister may be spared the burden keep the spotlight on Dr. Singh accept the office. "I know my face." Promising to carry for-

ANI HAPPY AT LAST: A relieved Congress president, Sonia Gandhi, and Dr. Manmohan Singh addres the press at the forecourt

of Rashtrapati Bhavan on Wednesday after the President, A.P.J. Abdul Kalam, appointed D. Singh Prime Minister. - Photo: Shanker Chakravarty (Another photograph on Page 11)

his "numbers" and can wait for the normal business of the 14th sure" that had been mounted man"; adding that he would Lok Sabha to demonstrate

Talking to reporters on the forecourt of Rashtrapati Bhavan, Dr. Singh said he felt "humble" and noted that "the to Srimati Sonia Gandhi." Standing beside him, a visibly

of immediately having to prove - said she was happy to be re- limitations," said the person and the vision of the former lieved of the "tremendous preson her over the last couple of days to accept the office of Prime Minister. "I think the country will be safe under Dr. Manmohan Singh."

About his being a "reluctant Prime Minister," Dr. Singh reiterated that the mandate had been for Ms. Gandhi and that the party had spent the last few the Congress' refrain of prowho was particularly keen to days trying to persuade her to moting "reforms with a human

billed the "original reforms rime Minister, Rajiv Gandhi, proceed "with the guidance of 'madam' and the support of the ne new government's empha-

#### 'Reforms with a human face'

While he remained tightlipped about the contours of his Cabinet, Dr. Singh reiterated

a make the 21st century an "Inian Century," Dr. Singh said is would be on a model for soial and economic development nat provides opportunities for ne poor to participate in the evelopment process.

#### onia, CPP chairperson

Earlier, Dr. Singh was "nomiated" the "Leader of the Conress Party in Parliament to orm the government," after Is. Gandhi stepped down as he leader and was instead tected CPP chairperson. It was i her new capacity as CPP ciairperson that she "nominatel" Dr. Singh to head the givernment.

For most of the morning, ministerial job. On the other separately met leaders of the allies, explaining to them the reasupport (as the earlier letters of and passed unanimously. support had been sought in favour of Ms. Gandhi) and by noon, all the revised letters were in.

In addition to the existing letters of support, the President also received letters from the Revolutionary Socialist Party and the National Loktantrik Party. A Rashtrapati Bhavan communiqué said the RSP general secretary, K. Pankaiakshan. accompanied by its central secretariat members handed over a letter extending their support from outside to the government being formed by the UPA.

P. Chidambaram, MP, also called on the President.

Ms. Gandhi was subjected to intense pressure from senior party members, including those of the Congress Working Committee and office-bearers of the All-India Congress Committee, who "resigned" from their posts. She stuck to her decision.

Later, the CPP general body meeting, the third such asthe second on successive days, set during the freedom struggle. carried out an amendment to clause 5 of the CPP constitution to enable the chairperson to nominate the leaders of the party, the deputy leaders and whips in both the Houses. It also authorised the chairperson to name the leader of the CPP to head the government. With the amendment in place, the CPP first re-elected Ms. Gandhi to the post and adopted a resolution in which it considered her inability to go back on her decision to relinquish the office of the CPP leader. "In view of the above, it becomes incumbent on the party to fill the vacancy. It is proposed to authorise the CPP chairperson to nominate the leader of the

sons for her decision. The allies CPP." This proposal was moved had been requested late last by G. Venkataswamy and secnight to send in fresh letters of onded by Mohinder Singh Gill

#### Will remain in politics: Sonia

In her address to the CPP, Ms. Gandhi said all the members who were upset or disappointed should know that she would remain in politics. "I will continue as Congress president and chairperson of the Congress Party in Parliament for as long as you want me to. I am one of you. And nothing will ever change that." She also urged the members to extend support to the new Prime Minister and the new Cabinet. Ms. Gandhi said she had always admired Dr. Singh for his qualities of head and heart.

In his acceptance speech, Dr. Singh said Ms. Gandhi was his leader and that he would hate to be a substitute for her, "Nobody can be a substitute for Ms. Gandhi." He said that what was witnessed was a "rare example of sacrifice" set by her which was in keeping with the highest sembly in the last five days and standards of idealism that were

> While the Congress could legitimately take pride in the historic achievements during the regimes of Jawaharlal Nehru, Indira Gandhi and Rajiv Gandhi, it should also recognise that the task of building India was far from complete. In this regard, he referred to the talisman of Mahatma Gandhi of wiping out the tears from the eves of every Indian.

> Late tonight, Dr. Singh began the difficult task of putting together a Council of Ministers with the allies clamouring for "prestigious" portfolios.

Another day of drama: Page 11 Allies back Manmohan: Page 12

#### How India voted

What explains the recent verdict? Why did the electorate vote the way it did? Which factors influenced voters the most? Along with this issue, The Hindu offers its readers a special eight-page supplement that analyses Verdict 2004 and examines, in depth, the various factors that contributed to this extraordinary verdict.

Written by a team of political scientists from the Centre for the Study of Developing Societies, Delhi, the supplement draws on an exclusive post-poll survey conducted by the

The survey, the largest and most comprehensive social scientific study of Indian elections, forms the basis for many of the in-depth analyses of voting behaviour both at the national and State levels. The supplement is an invaluable body of data on Verdict 2004 and is a collector's item.

#### DMK will join Government: Karunanidhi

By J. Venkatesan

NEW DELHI, MAY 19. The Dravida Munnetra Kazhagam today decided to join the Union Cabinet immediately in view of the changed circumstances.

The DMK president, M. Karunanidhi. made this announcement to reporters shortly after the Congress president, Sonia Gandhi, called on him at his hotel here this morning. He handed over to the Congress general secretary, Kamal Nath (who accompanied Ms. Gandhi) the letter of support of the 16 MPs, addressed to the President, A.P.J. Abdul Kalam, to a secular govern-

ment to be formed by the Congress, its allies and like-minded parties.

Asked what transpired between him and Ms. Gandhi, the DMK leader said she wanted the party's participation to strengthen the government in the light of her decision not to accept the prime ministership. Asked whether Ms. Gandhi had given any reason for her decision, Mr. Karunanidhi said, "she did not give any reason. I tried to persuade her to reconsider the decision, but she said she cannot accept the post due to certain circumstances.

He said that "in his view, the uncivilised and orchestrated campaign launched by occasion.

the BJP and the RSS might have been the reasons for her not accepting the post."

He declined to disclose either the names of the party's nominees likely to be induct- Congress leaders staged an ed in the government or the number of elaborate tableau of protestaministers. During the 10-minute meeting, tions of loyalty, wanting Ms. Mr. Karunanidhi presented to Ms. Gandhi a Gandhi to reverse her decision photograph taken in 1970 along with the to step aside from the prime then Prime Minister, Indira Gandhi, when he visited Delhi to participate in the Chief hand, Ms. Gandhi and Dr. Singh Ministers' Conference. Sources said that at that time, Indira Gandhi had invited Mr. Karunanidhi and his family for breakfast. The photograph was taken on that

2 0 MAY 2001



The post of Prime Minister is not my aim. My inner voice tells me that I must decline this post'

HT Political Bureau New Delhi, May 18

WITH THESE words, Sonia Gandhi announced to the Congress Parliamentary Party (CPP) her decision not to become Prime Minister of India. It was a short message, read out both in English and Hindi. There was no mention in it of the BJP, and of its increasingly vicious campaign against her following the people's verdict. In Parliament's Central Hall

on Tuesday evening, the announcement drew howls of protest from her partymen. They wouldn't listen, they interrupted her again and again, and at one point she had to tell them, "Bolne dijiye". After she had finished, they took the microphone one by one for close

to three hours to beg her to stay. Give or take a few tears, their messages were identical: 'The votes that we got were votes for you, so please Madam,

please don't go. It did not help. Sonia had begun by imploring colleagues to 'understand the force of (her) conviction", and to recognise that she "would not reverse" her decision. At the end of the meeting, she repeated that if the party trusted her, it needed to allow her to take her decisions.

The CPP meeting ended without a decision on who would replace Sonia as the alliance's prime ministerial candidate. Nor was there any word on the subject till late Tuesday night. But there were clear indications that Sonia wanted next Prime Minister.

It was a preference that appeared to have the strong approval of the markets: in a dramatic turnaround from manic Monday, the Sensex climbed 372 points. The market recovery was just one part of the long, as yet unfinished story that began on Monday.

On Tuesday afternoon, Sonia had met President A.P.J. Abdul Kalam at Rashtrapati Bhawan, taking Manmohan Singh along. It is likely, though not certain, that she gave Kalam an idea of what was on her mind at the meeting.

Back at 10 Janpath, Sonia met senior colleagues. She told them that she had decided she would not be Prime Minister. And that she would not, unlike on Monday evening, reconsid-

er. She told them to work out a strategy to tackle the Congress's allies and ensure govrnment formation.

Soon afterward, M.L. Fotedar and Natwar Singh met Laloo Prasad Yadav and Ram Vilas Paswan. They gave the Bihar leaders Sonia's reasons.

First, that her children, Rahul and Priyanka, did not want their mother to take up a prime ministership that she did not want. Second, that she was extremely hurt and upset with the BJP's tasteless campaign against her ethnicity and was unwilling to precipitate a situation that had the potential to split the nation. And third, that given the sentiments being whipped up, a government with

A series of meetings followed. Pranab Mukherjee, Manmohan Singh, Arjun Singh and Ghulam Nabi Azad met the CPI(M)'s Harkishan Singh Surject. At one point, Paswan got in touch with Priyanka and requested her to intercede. When she told him Sonia's mind was made up, Paswan reportedly insisted: "Tum bahadur bachche ho,

tum unko manaa logey. By late afternoon, there was panic, and a truly dramatic outpouring of support for Sonia outside 10 Janpath. Congress workers and leaders descended in thousands outside the barricaded entrance, waving flags and shouting slogans into TV microphones.

Those protesting outside Sonia's residence eventually

sounded like the MPs who spoke later in Central Hall They were in denial. They expressed shock. And none of them seemed to understand why their leader had done this to them. They would have had the night to sleep over it.

■ See also Pages 3,4&5



Manmohan, the Boy Scout of Indian politics Page 5

#### Back with a bang: Sensex up 372 pts

HT Correspondent New Delhi, May 18

BUOYED BY the buying support from domestic FIs and a broad-based rally, the stock markets staged a smart recovery on Tuesday. The benchmark BSE Sensex closed with a gain of 371.86 points at 4,877.02 while the NSE Nifty ended the day at 1,503.95, up 115.20 points.

Heavy trading marked the beginning of the day with the markets opening on a positive note. The Sensex was up 43 points at 4547.70 immediately after the trading started. It gained a total of 200 points during the first 20 minutes. The next big movement was of 160 points in the late afternoon. This was around the time when the news of Congress president Sonia Gandhi's refusal to become the PM became known.

The revival of the market was spread across all the sectors. Reliance Energy, the biggest loser of Monday, bounced back smartly, while IT majors Infosys, Satyam and Wipro also opened on a strong note. Early trade also saw banking stocks trading strongly with the BSE Bankex index up 115.75 points at 2,400.05. PSU stocks like ONGC and GAIL were

among the early gainers. Market observers say the recovery was largely due to the intervention of the SEBI and Congress leader Manmohan Singh's remarks. Tuesday also saw Congress allies heeding Singh's request for exercising restraint.

But, the Sensex became choppy as noon neared. Six minutes after 12 noon, the BSE30 Sensex was quoting at 4769.32, up 264.16 points.

■ See also Page II

#### 'Power for itself has never attracted me... My aim has been to defend the secular foundation of our nation'

IT WAS one of the most extraordinary moments in Indian political history perhaps in the history of any parliamentary democracy. A leader who had fought the odds, who had braved an increasingly personalised and abusive campaign, who had the support of an overwhelming majority of the House, standing up to tell her MPs what they least wanted to hear: she had no desire to be Prime Minister.

At a stroke, she made the BJP look foolish and petty. Sushma Swaraj, humiliated by Sonia in Bellary, who had sought to establish her own claim to be a future leader of the BJP by making a vulgar attack on Sonia's ethnicity, was now shown up by a woman who already had the Prime Ministership in her grasp — and yet, didn't want it. Narendra Modi, who had raised communal tension so that he could win his election amidst the smoke of funeral pyres was humiliated by the power of Indian democracy — shown up by a woman who walked away from the kind of power he can only dream of.

Towards the end of the campaign, when Sonia Gandhi had given an interview to HT, she had made her position on the Prime Ministership amply clear. She had no interest in the job, she said. That wasn't why she was in politics. Of course, it was difficult for people to understand that because most politicians wanted to reach the top. But she was not like that. She was a reluctant politician. She was in it out of a sense of duty, not because of ambition.

But of course, nobody believed her. She had said much the same sort of thing to Shekhar Gupta on NDTV. And 



Priyanka, Robert, Rahul at the CPP meet

that she would never accept the top job. Nobody believed her then. Nobody believed her now. But as she so dramatically demonstrated in Parliament's Central Hall on Tuesday evening, So-

during the 1999 elections she gave me

an interview in which she suggested

nia Gandhi meant every word of it. Why then had she taken the brunt of the attack? Why had she allowed Modi to abuse her and her children? Why had she allowed Venkaiah Naidu to direct semi-intelligible insults in her direction? Why didn't she simply say, "Look,

I'm not in the race, don't attack me"? There's no single answer to that question. When friends would ask her why she didn't just opt out, she would always say that to do so would be cowardice. It was her desire to fight for the values she believed in - a secular India where people were not be judged on the basis of religion or ethnicity that kept her in the fight. To have fought the battle on the BJP's terms would have been to have admitted defeat even before the struggle was over.

But now that the people of India have seen through the campaign of hatred and abuse, Sonia Gandhi has nothing left to prove. The Congress has much to do. The new government has its work cut out for it.

But Sonia Gandhi has won. And on Tuesday, she showed us that it was the battle that was important. Not the prize.

#### Beat the Heat SHARBAT ROOH AFZA

The healthy alternative

TV listings	2	Sport	7,8&9
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# 

Throughout these past six years that I have been in politics, one thing has been clear to me. And that is, as I have often stated, that the post of Prime Minister is

stated, that the post of Prime Minister is not my aim.

I was always certain that if ever I found myself in the position that I am in today, I would follow my own inner voice.

Today, that voice tells me I must humbly decline this post.

You have unanimously elected me your leader. In doing so, you have reposed your faith in me. It is this faith that has placed me under tremendous pressure to reconsider my decision. Yet, I must abide by the principles which have guided me all along.

Power in itself has never attracted me, nor has position been my goal.

My aim has always been to defend the secular foundation of our nation and the poor of our country — the creed sacred to Indiraji and Rajivji.

We have moved forward a significant step towards this goal. We have waged a successful battle. But we have not won the war. That is a long and arduous struggle, and I will continue it with full

war. That is a long and arduous struggle, and I will continue it with full letermination.

But I appeal to you to understand the force of my conviction. I request you to accept my decision and to recognise that I will not reverse it.

Our foremost responsibility at this critical time is to provide India with a secular government that is strong and stable.

Friends, you have given me your generous support; you have struggled against all odds with me. As one of you and as president of the Congress party, I pledge myself to work with you and for the country. My resolve will in fact be all the more firm, to fight for our principles, for our vision, and for our ideals.

- SONIA GANDHI May 18, 2004

the Congress president after the in a mood to do a "1991" when she declined the offer to become assassination of her husband, gress Parliamentary Party and of the newly-constituted United sions" on formation of the next Sonia Gandhi, leader of the Con-Progressive Alliance, "for discus-

Rajiv Gandhi. It is believed that government.

speculation that Ms. Gandhi was inclined not to assume the prime ministerial mantle. Mr. Mukheree noted that there was "no scope for any rumours now." She is expected to take oath on Two senior Congress leaders, Manmohan Singh and Pranab Gandhi would be meeting the Mukherjee, announced that Ms. The announcement came amid President tomorrow morning. Wednesday (May 19).

Some of the allies got the impres-

## Allies prevail

The allies vetoed Ms. Gandhi's Laloo Prasad Yadav of the Rashtriya Janata Dal threatened, to Nationalist Congress Party while allies' argument was that "we have the mandate, we have the endorsed by Sharad Pawar of the stage a 'dharna' outside 10 Janpath in case she declined to bedesire to nominate someone else from the Congress to become the next prime minister. The DMK president, M. Karunanidhi, took the lead and asserted that the her and her only; this line was come the prime minister. The DMK's letter of support was for

The entire Congress working committee (CWC) was opposed

largest party and that this party, the House. The President, having hi has been elected the Leader of requesting her to meet him today in combination with its other pre-election allies, constituted the largest political formation in noted that Shrimati Sonia Gandthe Congress Parliamentary Party, sent a letter at 5.00 p.m. today evening or tomorrow at her convenience for discussions." Ms. Gandhi was reported to be some members of her family are not very enthusiastic about her taking over as Prime Minister.

cott Ms. Gandhi's swearing-in nounced their decision to boy-It was a day of drama, beginning with the turmoil in the stock exchanges and ending with the intense discussion within the sire to step aside. In between, the BJP and its NDA allies anceremony and the Left Front par-Congress over Ms. Gandhi's desion that her decision was an "emotional" response to the "vicious campaign" that the Sangh However, the collective voice of A Rashtrapati Bhavan press communiqué on the invitation Parivar has launched against her. the allies prevailed over whatever reservations Ms. Gandhi had about becoming prime minister. to Ms. Gandhi said: "According

of the Rashtriya Lok Dal, met the President and handed over let-Ms. Gandhi had two rounds of ters of support for Ms. Gandhi.

Mukherjee admitted that "there damp squib as all that the allies round, this time confined only to meetings with the leaders of varithe presidents of the parties. The heard was that a letter had been first meeting was a sort of a ous allied parties and later with received from the President and that the question was whether she should go alone to meet him or with other leaders. After the puzzled leaders dispersed, they were called in again for a second party presidents. It was at the second meeting that Mr. Pranab

become the prime minister. The low itself to be seen as having been cowed down by the NDA's that the Congress could not aleffort to rake up the "foreign origin" issue.

sons, Mr. Laloo Yadav described all this talk of Ms. Gandhi wantand praised her for taking the allies into confidence at "each anc Later, talking to mediaper ing to quit as mere "rumours every" step.

Pradesh Chief Minister, Uma Earlier in the day, the Madhya Gandhi's qualifications to become the prime minister on ac-Bharti, and the Janata Party leader, Subramanian Swamy, met the President separately to express their misgivings about Ms. count of her foreign origin.

# He sought their views on Ms. to the results of the 14th General ties stated their unwillingness to Gandhi's expressed desire to is a crisis.

# High drama at 10 Janpath

NEW DELHI, MAY 17. It had all the elements of pending major announcement."

Congress MPs were told to prepare themselves for a meeting around 8 p.m. and, within minutes, it was advanced to 6 p.m. The MPs were asked to assemble at the 10

while when the AICC general secretary, Oscar Fernandes, said that an announcement would be made after the meeting Ms. Gandhi was having with the leaders of the allies and the supporting parties.

Eventually, around 8.40 p.m., both Manmohan Singh and Pranab Mukherjee tomorrow. The MPs hailed the decision with a loud cheer and their faces lit up when Mr. Mukherjee said that anything came out to announce that Ms. Gandhi dent and that she would be meeting him had received an invitation from the Presielse they had heard was "just rumour." ulation that Ms. Gandhi was planning to

pense had entered with Congress leaders power in the Capital an element of susa thriller. Suddenly in the corridors of speaking in hushed tones over an "im-

opt out.

The suspense began at 5 p.m. when the Janpath residence of the Congress presi-

The media too were put on alert and the television networks were permitted to transmit live pictures from the meeting venue. All this added to the intense spec-

In between, senior Congress leaders and leaders of the allies and supporting parties pense. It was rather strange to see 174 of the 212 Congress Parliamentary Party members sitting quietly for 90 min-utes. The sense of uncertainty eased for a started arriving. This heightened the sus-

THE HINDU

18 MAY



There is no need for panic. Where has it been suggested that there will be a drastic reversal of economic reforms? — PRANAB MUKHERJEE CONGRESS



Left parties are making outlandish statements. This is indirect political pressure...to disturb market sentiment - ARUN JAITLEY



What is happening...is unwarranted and baseless. It is a deliberate attempt to create chaos and confusion



There's no need to panic. Liberalisation was the child of the Congress...it will now be back to take care of its kid --- AMAR SINGH SAMAJWADI PARTY



We can only conclude that they (the BJP) have a belligerent attitude of destabilising the market - SITARAM YECHURY

CPM

their decision. The integrity of

the market has remained in-

bloodbath on the market to con-

tinue, with the Sensex possibly

losing another five to eight per

Analysts, however, expect the

tact," he added.



This is only a trailer... It is the country's misfortune that this combination is coming to power - VENKAIAH NAIDU

# Singh & Singh in salvage act

**OUR CORRESPONDENT** 

New Delhi, May 17: The finance ministry swung into action to stem the slide in stocks after a brief powwow this morning between Manmohan Singh, who is widely tipped to take over as finance minister, and the lameduck incumbent Jaswant

Soon after the sensex plunged by a historic 15.6 per cent in two short and frenetic selling sessions — the biggest one-day fall in the 129-year history of the Bombay Stock Exchange - Jaswant instructed capital market regulator, the Securities and Exchange Board of India (Sebi), and the Reserve Bank of India to monitor developments and keep an eye on the stock markets.

Government sources said the finance ministry has instructed domestic financial institutions to intervene and scoop up shares to revive the market which ratcheted up the indices but still ended up in negative territory at the close of trading.

"Around noon, we did receive instructions from the finance ministry to step up our buying, revive the market and trim the losses," said a top official of state-run life insurer Life Insurance Corporation.

Jaswant, who was the architect of the NDA's India Shining campaign that lay in tatters after a surprising electoral rout, was diffident about his role in dealing with the crisis. "I have no moral authority to take any decision, I am only responsible in name," he said. Yet, he instructed regulators to be vigilant and ensure that the market was stable.

Trading on the bourses was halted twice to stop panic selling sparked by worries that economic reforms, particularly privatisation, would suffer under a Congress-led government that is relying on support from Left parties to cobble a majority in Parliament

Jaswant said he told Manmohan that "he shares his concerns about the health of the capital

considerable help if the govern-

"It would nevertheless be of ners are careful into what they are saying," Jaswant told the

into being and its dutiful part-

ment that is attempting to come Congress leader. The Congress-led govern-

Although I do not have any authority. my advice is to be cautious **JASWANT SINGH** 

ment, expected to be sworn in on Wednesday, said it was commit-

ted to economic reforms and strong growth in its bid to reas-

"Our fiscal and other policies would seek to create a favourable climate for enterprise," Manmohan said.

"We are not pursuing privatisation as an ideology, but we are not against privatisation where it is called for in the national interest," Manmohan told reporters. "Therefore, our policy will be case by case and in the wider national interest without any preconceived ideological

Manmohan, however, cautioned the new government would not hesitate to take action against those who seek to manipulate and create unnecessary

cent until the common mini-Ashok Lahiri, the country's mum programme is unveiled.

chief economic adviser, also "The market would stay urged investors not to panic as volatile and if the programme's the fundamentals of the Indian policies go down badly with ineconomy, Asia's third-largest vestors, there will be another economy, were strong. meltdown," said a strategist "We have a strong balance of with a top securities firm.

payments position, low inflation, As matters stand, the Sensex valuation in markets is very is 25 per cent off its January good, PE ratios are very good peak of 6200. This means Indian stocks are in a bear marnow. It is the right time to buy," Lahiri told reporters. ket, defined by most analysts as "There is no reason to panic a market where a cartel is heavi at all. Those who sold will rue

ly into selling stocks. "It will be the policy agenda that would set the future direction which must clearly spell out the government's stand on economic reforms, including privatisation," said the analyst, who asked not to be quoted.

#### Brokers breathe fire at Basu & his Bengalis

CHANDRIMAS. BHATTACHARYA

Mumbai, May 17: The BSE is no longer a safe zone for Jyoti

Basu, or for Bengalis. As the sensex hurtled down on their computer screens. stockbrokers erupted in anger, hurling abuses at "Basu and his Bengalis" and charging them with the crash.

It was the anger against the Left that led to violent protests by the brokers and investors

As the bourses closed down for the second time after 11 am, brokers charged at television crew present inside, accusing them of "wrong" media coverage involving statements made

**MARKET & MARXIST** 



On the market, the lines between Basu. Yechurv and Bengalis have disappeared

by the communist party leaders. 'Why are you all here? You want to telecast us at our most unfortunate moment, but you thought nothing of airing statements made by Sitaram Yechury," one cried.

The brokers felt that statements by the Left, especially that of Yechury on disinvestment. had sent out the worst signals to the market. A group of brokers then

lunged at mediapersons, snatching their writing pads. They also warned them to be careful about their projection of Sonia Gandhi and Laloo Prasad Yadav.

"Sonia Gandhi hai hai." the brokers cried, claiming that her image was not market-friendly

damage. Laloo Prasad's name also took some beating.

As the brokers kept charging at mediapersons, calling them and political leaders "irresponsible" for their comments, police arrived and forced the brokers as well as the crew outside. No one was injured but some crew had to leave the spot soon. About 40 policemen remained on the spot and the main gates of the BSE were closed. But about 300 brokers and investors remained outside till 1.30, shouting slogans against the powers-that-wouldbe, but mostly the Left.

As the BSE swelled in anger on the day of the biggest intraday crash, the lines between Basu. Yechury communists and "Bengalis" disappeared.

"I am sorry if you are a Bengali, but I have to tell you this. There is something wrong with Bengalis. They don't think the right way. Otherwise why would they stick to this kind of talk when even China has gone the capitalist way?" asked solicitor Kishore Shah.

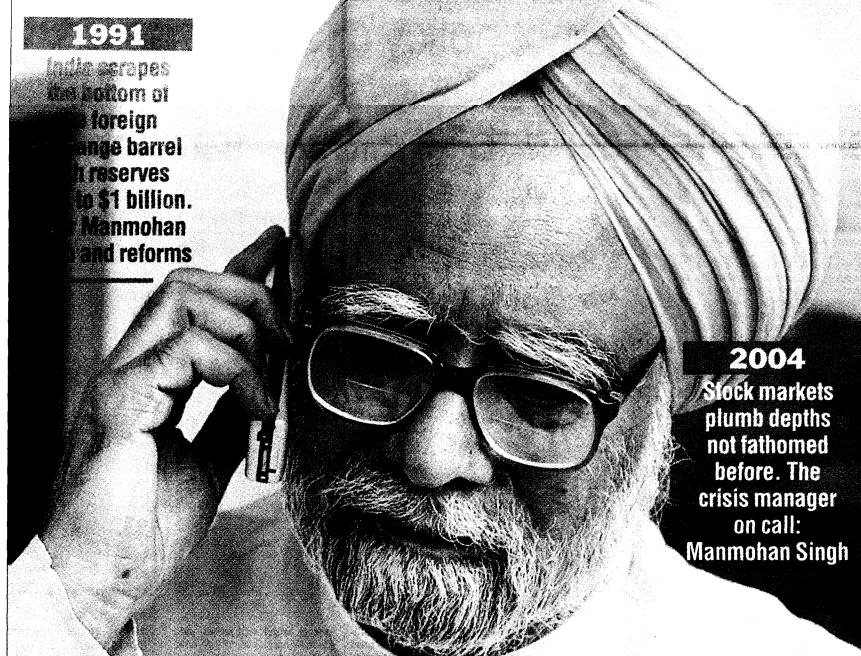
"The crash may be temporary, but as long as the Left is a partner in the government, I see trouble." said broker Giridhari Khaitan, "Look at the CPM's history in West Bengal, How many good things have they done in all these years? They have ruined the state, and now will ruin us. I see even profit-making companies making losses in the fu-

"The communists have done nothing in their own state, but they can go on television and talk about divestment," said another broker. "It is because of this statement that investors are running away and FIIs are being driven away. They are behind the

Yet another said it was the uncertainty on the CPM's stand vis-a-vis the government that had led to the market's dangerous behaviour. "Today they have said that they will support the Congress from outside. But we do not know whether that is good or bad," he said.



A Mumbai broker talks on the phone on Monday. (Reuters)



Manmohan Singh on the phone in New Delhi on Monday. (AFP)

#### IT SPEAK

"These reactions do not seem to be related to the changes in Indian politics but to knee-jerk reactions of FIIs. These institutions have got it wrong about the change of guard in Delhi. How can one doubt Dr Manmohan Singh,

a leader who pioneered economic reforms in India in 1991? The markets will stabilise on allocation of portfolios as well as the common minimum programme of the Congress-led coalition? Ravi Ramu, CFO.

> "We cannot comment on the markets, we go

Suresh Senapaty, corporate executive vice-president, Wipro Ltd

Mphasis BFL Ltd

"The choppy markets will continue till the new government announces a new CMP and perhaps. the new budget, for a clear picture of the new economic policy. The crash will not have a devastating impact on stocks of IT, textiles and automobile companies."

> Manager, Karvy Consultants

"A quick way out would be appointment of the finance minister and commerce minister, both from the Congress, rather than from any

alliance partners. Harish Bijoor, brand domain specialist and CEO, Harish Bijoor Consultants Inc, Bangalore

#### Just down, down, down... there was no respite

ANAND SOONDAS

Mumbai, May 17: Hari Narayan Keluskar's bhav copy is like a badge. Surely, he must have witnessed the carnage on Dalal Street. Unlike other days, he doesn't bother today to keep his bunch of bhav copies - the bible for brokers, traders and investors - tucked neatly in his dark brown suitcase as he heads home.

Keluskar's face is dark as he boards the local train to Borivili at Andheri. "What reaction do you want?" he snaps. asked about the biggest sensex crash in recent times.

Like most other small investors, Keluskar got trapped somewhere between 4283 and 4506 points. "It was just one way at the market. Down, down, down. There was no respite," says the father of three and owner of a house at Siddharth Nagar and a five-year-old Maruti car.

"People talk about some sort of recovery but it is too insubstantial. I had gone to meet a cousin of mine at Andheri. I knew he would be shattered because he had borrowed about Rs 5

lakh to buy some of these shares. He's totally gone.

Keluskar says he bought ONGC shares when the company came up with the IPO some time ago. "It was Rs 712 (per share). Now it is hovering around Rs 500. Imagine somebody who bought a large number of shares." Keluskar, however, does not say how many he had bought and how much he lost. He just says he feels numb.

At Jogeshwari station, Keluskar spots Mrityunjay Patel and Subhashbhai Mehta, who are broker-investors. Subhashbhai lives in the same neighbourhood as Keluskar. They nod at each

"Pati gayo (it's finished)," Keluskar tells them in Gujarati. "You are surprised that being a Marathi I speak Patel's language? Well, if you are in this trade, it's better that you know Gujarati. They are everywhere," he says in an

"It is these foreign investors who are responsible," Patel begins his tale of woe and shoots off a loaded Gujarati ex-

"Just because some minister says

scrapped and privatisation will be done selectively, they panic. Not that the Congress, at this point, is very good for the country. Why, even Pakistan is worried. Peace talks will have to start all over again." Then Patel says he lost about Rs

10 lakh today. But the look on Keluskar's face says Patel is fudging figures. "He is a much bigger player than that," Keluskar later whispers as Patel gets down at Malad station to share his agony with other

Guiarati brokers. Patel gone, Mehta starts on his tale to vent his chagrin. The podgy 55-year-old loudly lets loose an expletive as other passengers stare at him and the sparkling gold chain around his neck, the shining golden watch on his wrist,

and his profusely sweating face. "What is the need to make these unnecessary statements about the economy? First, you form the government, make a common minimum programme and then shoot your mouth," he says loudly to anyone who would listen.

Some of the other passengers, mostly Gujarati businessmen and traders,

that the disinvestment ministry will be are evocatively sympathetic in their

"HPCL (shares) just some time back was around Rs 500, now it is Rs 200-odd. This is murder. How much have I lost, how much has Keluskarbhai here lost? Will Manmohan Singh apologise to us and say that he should have plugged his mouth? Even the stock exchange will now have to face a severe payment cri-

sis," Mehta says. Mukesh Jhaveri, another of Mehta's ilk, is less agitated and obviously more informed. "The FIIs were pulling out from other Asian countries and this is not an India-specific hit." he says.

"I am holding on to my shares. I know traders and broker-investors like us have been badly hit, but the market will recover. There are a lot of good things going in India, specially the urban centres, right now. I will wait for a week or so before I start fuming like Mehtasaab."

As the train comes to a halt at Borivili, Keluskar pulls Mehta aside. "If you accompany me, I can provide you some succour, at least for tonight," he whispers before heading towards Sanjog Bar.

MY SHARE

The returns in all other financial instruments had gon down in the past few years and expectation of higher returns on my savings had brought me to the equity market. I never gambled and invested in only the so-called safe stocks. But he market behaves like this, where even expert hrokers are dueless. ordinary nvestors like me will lose

●Name: Manish Pareek ●Age: 31 **\*City**: Calcutta **\*Occupation**:

nterest in

he market

SENSEX SHEDS 564.75 POINTS IN MARKET MELTDOWN, COMMUNISTS WON'T JOIN GOVT BUT CONG CHIEF IS HOME & DRY

# India sliding, Left whining, Sonia smiling

Devastation on Dalal Street LF upsets

News Service Stability

Statesman News Service

MUMBAI, May 17. — In the worst-ever day in the 135-year history of the Indian bourses, the Sensex today hurtled down to a day's low of 4227.50 with a record intraday swing of 793 points following uncertainty over economic reforms. The 500-odd Foreign Institutional Investors (FIIs) registered with the Securities and Exchange Board of India remained unconvinced by a series of assurances from Dr Manmohan Singh, putative finance minister in the incoming Company and government, another sometic sometimes with the minister, Mr. Pranab Mukherjee, and even the outgoing finance minister Mr Jaswant Singh as they dumped stocks relentlessly on Monday causing devastation on Dalal Street.

The authorities at the Stock Exchange, Mumbai, and National Stock Exchange were forced for the first time ever to shut down trading due to a market in free-fall. And this happened not once but twice for a period of one hour and then again for two hours.

Akin to a nuclear meltdown, the capital market caved in accounting for depreciation of Rs 1.16 lakh-crore in market capitalisation along with the highest single-day loss in the Sensitive Index of 11.14 per cent or 564.75 points as the 30-scrip benchmark index of the stock exchange closed at 4505.16. Market sources put the total loss of market capitalisation during two consecutive tradings — Friday and Monday — at Rs 2.28 lakh-crore.

The National Stock Exchange's Nifty too recorded its single-day highest loss of 193.65 points or 12.24 per cent as it closed at 1388.75 points. The NSE handles about 98 per cent trading in derivatives. Brokers here were under pressure to sustain their clients' position as the fast dwindling market increased the demand for margin money from NSE authorities.

The FIIs turned net sellers in May 2004 as they realised that the chances of the BJPled NDA returning to power were uncertain. They purchased stocks and securities in April and were net buyers with an investment of \$4145.1 million. In May, that is till last week-end or 14 May they net-sold stocks worth \$ 138 million. The FHs had invested \$6.5 billion in year 2003 (Jan-Dec). Flls and hedge funds preparing to desert Indian bourses had an adverse impact on the general market sentiment.

This morning the Sensex opened at 5020.89 points and within 30 minutes collapsed by 533.29 points. The authorities at Dalal Street and NSE shut down trading for one hour as a delegation of brokers approached Sebi with a plea for intervention. The anguish mounted as brokers sat before their switched off terminals. Rumours swept the market that the Sebi would cancel the entire day's trading. That proved a hoax, and trading resumed after



Hundreds of brokers and investors staged angry protests in Mumbai on Monday against the prospective Sonia-led government accusing it of possessing "no economic sense". — AFP (Dharna at Dalal Street, p 9)

an hour but the market was by then in freefall and despite statements from Congress leaders in Delhi to try and soothe the market, another sharp drop of 233.60 points resulted in trading being suspended again, this time for two hours. Eventually, the Sensex and Nifty showed signs of recovery as government directed institutional buyers to step in and buy at these low prices. Domestic institutions rushed to buy stocks and securities but the attempt to lend support to the market proved too weak to reverse the trend in a significant manner.

PSU stocks were the hardest hit on a day that began with rumours of a "planned"

run on the Indian markets by a Soros-like character turned out not to have much substance and even other Asian markets not doing too well having only a limited impact. The cause of the massacre on the markets was clearly domestic-political.

#### RBI to ensure payment schedule

Reserve Bank of India today said it was closely watching the developments in stock and financial markets, including foreign exchange market, and would ensure that payment obligations on the exchanges were met smoothly, adds PTI.

applecart

Statesman News Service

NEW DELHI, May 17. — Ensuring that the new "secular" government will be inherently unstable even while the Left keeps its ideological virginity intact, the CPI(M)-led Left today decided not to join the Congress-led government despite giving Sonia Gandhi heading it. This, on a day when the Left leadership kept whining, variously, that the market meltdown had nothing to do with their policies and pronouncements. that a "Rightist conspiracy" was afoot in general and that "speculators" were having a free run.

The Leff's decision, ostensibly because it doesn't want the Opposition space to be captured by "Rightist" forces and because it won't be able to influence policy, is a setback to Mrs Gandhi since Mr Jyoti Basu failed to deliver what the Congress wanted from the Communists — participation in her government. Also, the fact that the CPM's central committee turned down the resolution forwarded in it in the Polithuro has come as a great disappointment, for Mr Basu and some of his comrades from Bengal who wanted to be part of the coalition.

Veteran Marxist Mr Harkishen Singh Surject also put a big question mark today on the Left even being part of the coalition's coordination committee. "It all depends on who the chairman is and who's its convener." he said in concurrence with the CPI, FB and the RSP.

Another grev area for the CPM is the common minimum programme which is still being drafted by the Congress leaders. "The minimum programme would become common already having emerged. only after we approve it." Mr Surject and the Opposition's agi-tion that Mrs Gandhi took a jibe reflecting the mood of the party's central committee which vehemently opposed the idea of sharing power in a setup which is headed by what Mr Surjeet termed a course to install her as "bourgeois party" (read Congress).

Two dominant factors favoured repeating history after the 1996 "blunder". One was the Congress' approach towards the economic policy. Second, most of the CPM's central committee members were wary of the fallout at the grassroots in those states where Communists have sizeable influence, once they were seen in the Congress' company,

#### Swearing-in on Wednesday

Statesman News Service

NEW DELHI, May 17. -With the constitution of the 14th Lok Sabha today. President APJ Abdul Kalam invited Mrs Sonia Gandhi for discussions on the formation of the next government at the Centre. Rashtrapati Bhayan sent the invitation at 5 p.m., requesting the Congress president to meet Dr. Kalam by tomorrow. The swearing-in is likely to take place on Wednesday.

So, despite the markets crashing around her, her principal ally the Left hav-



The Congress-led coalition at the Centre has finally got a name - United **Progressive Alliance** 

ing decided to stay away from the government, deep divisions over policy tation over the "foreign might not accept the origin" issue sharpening. lovalists in the party are on India's Prime Minister even as they face the worst ever run-up to forming a government at the Centre.

High drama marked the AICC's announcement tonight of what has now become a fait accompli — Minister. There was much Gandhi.

that she might backtrack from her position. In the inidsi of such rumours and after a series of suspensefilled meetings Mrs. Gandin held with her alliance partners and the Left parties. Dr Manmohan Single and Mr Pranab Milkharjan charged to

What fuelled the suspensor was a CPP meeting called by Machandhi, Lee media was invited to cover her supposed address to her MPs. And like the media, the members too anxiously waited for twoand a half bours for something dramatic.

But instead of Mrs Gandhi. Dr Manmohan Singh addressed the MPs. informing them that President APJ Abdul Kalam had invited their party chief to stake claim to form the government. Mr Mukberjes too addressed the substing saying "there is no scope for any such rumours (that Mrs Gandhi has pulled herself out of the prime ministerial race)." The declarations by the two leaders were greeted by thunderous applause by the MPs and other party leaders present on the 10 Janpath lawns.

senior border Mr Salman Kimeshid said "Some unpleasant move by the BJP (over Mrs Gandhi's foreign origin) had understandably" led to specula--prime ministership

Justice 10 Joupath, Mrs Gandhi held talks with the leaders of all her allies. including M Karunanidhi, Mr Sharad Pawar, Mr Laloo Yaday, Mr Ram Vilas Paswan and Mr Sitaram Yechury.

Mr Amar Singh (SP) and Mr Ajit Singh (RLD) met the President today that Mrs Gandhi will in- and handed over letters of deed be the next Prime support in favour of Mrs

# Allies authorise Sonia to form government Common minimum programme getting ready

By K.V. Prasad

NEW DELHI, MAY 16. Sonia Gandhi, leader of the Congress Parliamentary Party, was today chosen by all the supporting parties to lead the next government.

Ms. Gandhi was unanimously "elected" the alliance's prime ministerial candidate at a meeting of the allies and other supporting parties this evening.

Among those present at the meeting held at her 10 Janpath residence were M. Karunanidhi (Dravida Munnetra Kazhagam), Jyoti Basu and Harkishan Singh Surject (Communist Party of India-Marxist), A.B. Bardhan (Communist Party of India), Laloo Prasad Yadav (Rashtriya Janata Dal), Sharad Pawar (Nationalist Congress Party), Ram Vilas Paswan (Lok Janshakti Party), Mehbooba Mufti (People's Democratic Party), Shibu Soren (Jharkhand Mukti Morcha), K. Chandrashekar Rao (Telangana Rashtra Samiti), E. Ahamed (Indian Union Muslim League), Vaiko (Marumalarchi Dravida Munnetra Kazhagam), S. Ramadoss (Pattali Makkal Katchi), Assauddin Owaisi (All-India Majlis-e-Ittehadul Muslimeen), Amar Singh (Samajwadi Party), Ajit Singh (Rashtriya Lok Dal), Debabrata Biswas (All-India Forward Bloc), K. Francis George (Kerala Congress-Joseph), Ramdas Athawale (Republican Party of India-A) and R.S. Gavai (RPI).

Ms. Gandhi's name was proposed by Mr. Karunanidhi and also present. seconded by Mr. Pawar, Mr.



MANY FACES OF GOVERNANCE: The Congress president, Sonia Gandhi, with leaders of parties backing the Congress, at her residence in New Delhi on Sunday. They are (from left) S. Ramadoss, Shibu Soren, Laloo Prasad Yadav, Amar Singh, M. Karunanidhi, Harkishan Singh Surjeet, Jyoti Basu, Sharad Pawar and Ram Vilas Paswan. Among those standing behind are A.B. Bardhan, Valko and D. Raja. — Photo: Kamal Narang

Laloo Yadav and others. The the President to send for Ms. senior Congress leader, Man- Gandhi to ascertain from her mohan Singh, announced this whether she is in a position to after the meeting. Later, Ms. form the next government. The Gandhi hosted a dinner for the President is scheduled to re-

"constituted."

Ms. Gandhi today received

morrow morning. They will for- ters of support from others, in- the parties joining the govern-The alliance will now wait for mally inform the President that cluding the Samajwadi Party, ment, there is little doubt that should be "available" by 300-plus MPs support it. The

Today's meeting was a demletters of support from the CPI onstration of the numerical cision to join it or not. (M), the CPI, the NCP, the and political support available leaders of the allies and the ceive the Chief Election Com- DMK, the PMK, the MDMK and to a Congress-led secular govsupporting parties. The former missioner and the two other the RPI(A). Dr. Manmohan ernment. While there is still Prime Minister, V.P. Singh, was Election Commissioners to Singh firmly indicated that let-considerable ambiguity about committee, which would have

shape of the government will depend on the Left parties' de-

Dr. Manmohan Singh also said the alliance leaders had agreed on a co-ordination a chairman and a convener. It is understood that the Prime Minister will be the chairperson, who in turn would appoint a convener.

Earlier, Ms. Gandhi and other senior Congress leaders met with the allies to discuss the broad principles of government-formation and the common minimum programme (CMP).

Those who attended the conclave included Mr. Pawar and Praful Patel (NCP), Mr. Laloo Yadav, Mr. Karunanidhi, Mr. Vaiko, Dr. Ramadoss, Mr. Athawale, Mr. Paswan, Mr. Soren, Ms. Mehbooba and Mr. Chandrashekar Rao.

its proposals to the Manmohan vitation by the Congress. His Singh panel that is drafting the CMP. The NCP wants special attention for the farm sector and employment generation and to ensuring that profitmaking public sector units are kept out of the purview of disinvestment.

Dr. Manmohan Singh said his panel would produce a "working draft," which would then be submitted to the alliance leaders for approval.

UNI reports:

Dr. Manmohan Singh said the Congress would like all constituents to join the Sonia Gandhi-led coalition government, but a decision on accommodating the Samajwadi Party and some others would be taken separately

"We would like all the constituents to join the government," he added.

Mr. Ajit Singh attended the the Centre."

The NCP has already sent in meeting in response to an inonly reply was that they were present at the meeting.

#### 'SP. RLD were invited by Surjeet'

PTI reports:

The Samajwadi Party today admitted that it was not invited to the dinner meeting hosted by Ms. Gandhi and said the party and its ally, the RLD, had gone there at the request of Mr. Šurjeet.

"I don't lie. We did not have any invitation to take part in the dinner meeting. But we were requested by Surject to accompany him there," the SP general secretary, Amar Singh, told Aaj Tak.

Mr. Singh said that he, along with Mr. Ajit Singh, went to Ms. Gandhi's residence because "we did not want our egos to He declined comment when come in the way of the formaasked if Mr. Amar Singh and tion of a secular government at

#### Left parties to decide today

By Sandeep Dikshit

NEW DELHI, MAY 16. The Left parties will decide on the nature of support to the new government at a joint meeting here tomor-

The All-India Forward Bloc (AIFB) prefers to keep out while the Communist Party of India (ĈPI) is favourably inclined to be part of the new dispensation.

In 1996, the CPI had joined the Government while the other Left parties had supported the United Front Government from

A senior CPI leader said that this time for the meeting of the four Left parties, the the party would abide by the collective decision taken by the Left parties.

The AIFB general secretary, Debabrata Biswas, told The Hindu that his party's central committee had, in principle, decided to keep out but would back the decision taken at the joint meeting.

The central committee meeting of the Communist Party of India (Marxist), which has 43 of the 59 Left Parliamentarians, remained inconclusive today.

It will resume its deliberations tomorrow and is likely to arrive at a decision in time leader, Abani Roy.

CPI(M) politburo member, Prakash Karat,

Mr. Biswas said the meeting would take a view on two aspects - the contents of the common minimum programme and whether the responsibility for implementing it should be taken by joining the government or by supporting it from outside.

The policy making bodies of the Revolutionary Socialist Party will meet tomorrow to review the political situation, said its

THE HINDU 17 MAY SOOM

# Foot in the door, Sonia waits for allies

### Left set to stay out of ministry in 'historic blunder' repeat

Saroj Nagi, Anil Anand and Aloke Banerjee New Delhi/Kolkata, May 16

THE CONGRESS'S pre-poll allies and the Left tonight gave Sonia Gandhi letters of support and asked her to form the government. But many of the major allies, including the Left parties, failed to give her what she now needs most an assurance of their participation in her ministry.

Around the time when Sonia meets President A.P.J. Abdul Kalam tomorrow and stakes claim, the Left is expected to officially announce that it will support her ministry only from the outside. The DMK has already said it will not join for now, though with the hint of a future change of mind.

"I need time to think," M. Karu nanidhi told reporters after a 45minute meeting with the Congress chief, fuelling speculation that he may be angling for a good bargain. "It (joining the ministry) might take a few weeks or a few months.' The NCP hasn't decided yet and the MDMK has refused to join.

The biggest blow to the Congress came from the CPI(M) central committee, which dashed hopes of a historic change of policy today, choosing instead to tread the beaten path of outside support. The decision, to be formally announced tomorrow, ensures the Samajwadi Party, too, would stay outside the government.

According to CPI(M) sources in Delhi, H.S. Surjeet, Jyoti Basu, Somnath Chatterjee and Md Selim argued for a pro-change line but lost the battle to the hardliners led by Prakash Karat, Biman Bose and Buddhadeb Bhattacharjee.

Most members from Bengal, Kerala, Tamil Nadu and Andhra Pradesh argued for status quo, saying it would be impossible for the Congress to completely dump liberalisation. Participation in the Cabinet would therefore harm the Left's pro-poor image and hurt the com-



#### WHERE THE OTHERS STAND

RJD	(21*)	Likely to join Congress-led govt
DMK	(16)	Yet to decide, wants more time
NCP	(9)	4-member panel will decide
PMK	(6)	Will join government
TRS	(5)	May join government
JMM	(5)	Will join, wants representation
MDMK	(4)	Will not join
LJP	(4)	Likely to join
RPI(A)	(1)	Will join, wants Cabinet berth
* No. of MPs		the second contract of

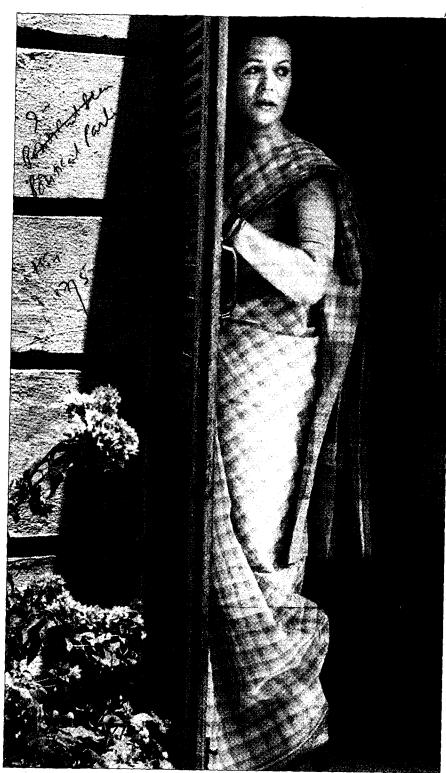
bine in Kerala, Bengal and Tripura.

Spurned for the second time in eight years on the same issue, Basu then proposed that Sonia be given a written assurance that the entire Left bloc would stay committed to the stability of her government.

SP's Amar Singh and RLD's Ajit Singh were not invited to either the meeting with the Congress's prepoll allies, or the extended session that included the Communists. The two Singhs, however, surprised their hosts by accompanying Surjeet, who had unilaterally announced a few days ago that the SP would join the government. The Congress resents Surject's bid to foist the SP on the new government.

At Sunday's meetings, followed by a dinner hosted by Sonia, the leaders agreed to set up a coordination committee under a chairperson and a convener. But a final decision must wait till the Left concludes its in-house confabulations tomorrow.

**■ More reports on Pages 3&4** 



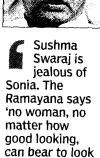
Sonia Gandhi stands at the doorway of her residence after seeing off M. Karunanidhi, who told her that the DMK will not join the government now but offer outside support

#### Saffron stir threat over foreign origin

Shekhar Iyer New Delhi, May 16

THE BJP and RSS top brass have been "besieged" by secondrung leaders who want "action" to try and stall the installation Sonia Gandhi as PM. Though no official move is on, some BJP leaders have launched their own

"protests" Former BJP ideologue K.N. Govindacharya today launched "Rashtriya Swabhiman Andolan" against Sonia being made PM, calling such a



at another

attractive

woman'

move "cultural suicide". He will march to Rashtrapati Bhavan on Tuesday to present a memorandum to the President requesting him not to allow such a thing. BJP chief Venkaiah Naidu also met NDA convener George Fernandes to see if steps could be taken to show that the BJP and allies would not take it "lying down". The objective is to rally public opinion in the BJP's favour on an issue that promises high emotive appeal.

The BJP's parliamentary board had decided on Friday that the issue should be dealt with in a graded manner. RSS mouthpiece Panchajanya has called for "democracy to prevail" and hoped the new government would serve the country well. Even Naidu and Pramod Mahajan ruled out a boycott of Sonia.

But second-rung leaders like Sushma Swaraj and her husband Swaraj Kaushal have threatened to guit the Rajva Sabha and not enter Parliament as long as Sonia Gandhi remains Prime Minister. Uma Bharti has begun hectic parleys with non-BJP leaders urging them not to back Sonia. Now Babulal Marandi has called for a "second freedom movement" against Sonia's rule.

THE HIDUSTAN TIMES 77 MAY 700.

#### **Political families** win & lose

■Bhubaneswar (PTI): They are from the same family but lady luck did not smile on all of them in the simultaneous Assem bly and Lok Sabha elections in Orissa.

A veteran in state politics, Orissa Pradesh Congress president J.B. Patnaik managed to scrape through from Begunia Assembly seat by 2.001 votes. But wife Jayanti and sonin-law Soumva Ranjan Patnaik, both former MPs, lost in Cuttack and Bhub-

aneswar respectively. In another family, the dispute between former chief minister Giridhar Gamang and wife Hemabati over the Koraput Lok Sabha ended in smiles as the couple romped home smiling after the elections. Hemabati won the Gunpur Assembly seat and Giridhar, who had won eight times from Koraput, retained the seat.

#### **HOUSE DEBUT**



Actor and first-time MP Saturday. (PTI)

#### **Stephenians**

■ New Delhi (PTI): Students of St Stephen's College have reason to be proud. At least 11 of the newly-elected Lok Sabha members are Stephenians. Most of them belong to political families, and the most high-profile being Congress chief So-

nia Gandhi's son Rahul. Others in the list inson of former Union minister Jaswant Singh, Delhi chief minister Sheila Dikshit's son Sandeep, late Congress leader Rajesh Pilot's son Sachin and Madhavrao Scindia's son

Jyotiraditya. Rajasthan chief minister Vijaya Raje Scindia's son Dushyant Singh, late Congress leader Jeetendra Prasada's son Jatin and former Jammu and Kashmir chief minister Farooq Abdullah's son Omar are also in the list.

#### Crime watch

■ Lucknow (PTI): At least 12 candidates with criminal background have made it to the 14th Lok Sabha from Uttar Pradesh.

Mayavati's Bahujan Samai Party tops this criminal list with at least four MPs against whom several cases are pending.

Two of them, brothers Umakant and Ramakant Yadav, had an easy entry from Machhlishahr and Azamgarh, respectively. While Umakant, contest ing from jail, forced a humiliating defeat on Uttar Pradesh Assembly Speaker Kesri Nath Tripathi, Ramakant gave a drubbing to Durga Prasad Yadav of the Samajwadi Party.

#### Trustees quit

■ Tirupati (PTI): All the 10 members of Tirumala Tirupati Devasthanam Trust, which administers the hill shrine of lord Venkateswara at Tirumala, have resigned owning moral responsibility for the Telugu Desam Party's rout in the Assembly elections. Board chairman D.K. Adikesavulu has said the board members, appointed by the Chandrababu Naidu government, have faxed their resignations to chief minister Y.S. Rajasekhar Reddy. A new board will be appointed by the new government



Sitaram Yechury: In a bind

MONOBINA GUPTA

New Delhi, May 15: The CPM is set to repeat its "historic blunder" as hardliners and the lobby against participation in the Congress-led government seemed to hold sway in the politburo, the party's highest decision-making

In 1996, the CPM had refused to participate in the United Front government, robbing Jyoti Basu of a chance to be the country's first communist Prime Minister — a move the Left veteran famously described as a "his-

The politburo met in Delhi to

the end of the day, senior leader Sitaram Yechury indicated the evolving opinion by stating that the CPM had not committed a "historic blunder" in 1996. The party had acted in accordance

with its policy and in its interest. He dismissed the significance of the 60-plus seats the Left has got for the first time. "This is not a mandate for us. If it had been. we would have got 272 seats," he said.

Congress president Sonia Gandhi met Basu at Banga Bhavan this afternoon and spent 20 minutes discussing the new political situation, particularly the issue

confabulate on participation. At of the Left's participation in government.

> But Basu again appears helpless in the face of stubborn opposition from the Bengal and Kerala politburo members, who argue that there is a conflict of interest between associating with the Congress in Delhi and fighting it in their states. He has been an advocate of participation in a government at the Centre since the ascendancy of the BJP and the changed political climate.

> "I have asked the Left to participate in the government," Sonia told reporters but kept mum when asked whether Basu had given her a positive assurance.

From all indications, CPM general secretary Harkishen Singh Surjeet and his "like-minded" comrade Basu have again failed to convince the politburo of the need to participate in the

government. The balance in the politburo seems heavily tilted against participation. Of the 17 members, there were hardly any voices in favour of joining the government, barring those of Surjeet, Basu and Yechury. All the three members from Bengal — Buddhadeb Bhattacharjee, Biman Bose and Anil Biswas — were against participation; so were the four

from Kerala.

ee, which will clinch the issue, will begin its two-day talks tomorrow. It had vetoed the participation proposal and scuttled Basu's premiership in 1996. The present

mood does not indicate a change. The CPI, which had joined the United Front government and had two ministers in Indrajit Gupta and Chaturanan Mishra, is unlikely to join the government this time if the CPM does not. The CPI national executive held a meeting today to discuss the issue and general secretary A.B. Bardhan, along with Yechury, made it clear that the Left will go together on the issue.



Jyoti Basu: Helpless

#### Sonia in spot over Mulayam

K. SUBRAHMANYA

New Delhi, May 15: Sonia Gandhi is faced with the dilemma of whether or not to confront the Samajwadi Party.

The Left parties and the Nationalist Congress Party headed by Sharad Pawar mounted pressure on Sonia, who was elected Congress Parliamentary Party leader today, to include the Samajwadi Party in the new secular coalition on the plea that it has been in the forefront of the fight against the BJP in the country's largest state.

Equally strong has been the pressure from Uttar Pradesh leaders and others to keep away the Samajwadis as their chief, Mulayam Singh Yadav, had consistently spurned the Congress proposal of a pre-poll alliance.

These sections see no reason for the Samajwadis to be invited to join the coalition, as Mayavati's Bahujan Samaj Party has already conveyed its "support" to a Sonia-led coalition at the Centre. They also point out that the coalition has the required numbers at the moment for a comfortable majority in the Lok

Faced with the conflicting pressures, the Congress president has maintained a studied silence. Whether or not the silence is indicative of her reluctance to do business with the Samajwadis is not clear. But nobody from the Congress has made any positive noise about the Samavadi Party's stated readiness to

Cohabitation is not easy given the bitter past. Mulayam Singh's rivals in the Congress and there are many of them believe the time has come to repay the Uttar Pradesh chief minister in kind. They do not mind adopting a confrontationist course with him in the state and accuse the Samajwadi Party of "engineering" the defeat of some party candidates in the

Mayavati, who had also rejected the Congress offer of a pre-poll alliance, has virtually become an undeclared ally of the party in the face of Thursday's stunning poll verdict. Sources said Mulayam Singh's ally in the ruling coalition in Lucknow. Rashtriva Lok Dal leader Ajit Singh, has begun to send feelers to the Congress leadership, expressing his willingness to join the secular coalition.

If Ajit Singh's 14 MLAs defect to the Congress camp, it can put the Mulayam government in trouble. The Congress, which has 16 MLAs, now supports the government from outside. In such an event, if the Congress, BSP and RLD make a common cause against Mulayam Singh, sources in the Congress believe, the Uttar Pradesh government might face a survival challenge.

"It all depends on Mulayam Singh. If he himself approaches Sonia and offers to join the coalition she may accept the offer," said a senior party leader, adding that Mulayam Singh has not join the proposed secular coali- made any formal offer so far.



kshit with newly-elected Congress MP Jyotiraditya Scindia in Parliament on Saturday. (PTI)

#### Laloo says he won't be a Naidu

KAY BENEDICT

New Delhi, May 15: Flush with victory, a jubilant Laloo Prasad Yadav today refused to say if he or his nominees would join Sonia Gandhi's cabinet, but said he would fight to ensure Bihar gets a good deal.

The Rashtriya Janata Dal chief poked fun at his Telugu Desam Party counterpart, saying he would not be a "cyber, fibre Chandrababu Naidu". He also poked fun at outgoing human resource development minister Murli Manohar Joshi, who introduced astrology in the school curriculum.

The Bihar leader said the new government at the Centre would provide good "shiksha" and banish "jadoo-tona". "Jadoo-tona padai shuru kiya, jadootona walon ko TV mein bataya (a reference to the pollsters who misread the public mood), ye sab ko pakdega. Arun Nehru (who had been predicting in a Delhi daily that the Congress would win only 87 seats before revising that figure to 95) should also be exposed," he said.

Laloo Prasad was speaking to reporters at his Tughlak Road residence here after a visit by senior Congress leader Arjun Singh, who came to officially inform him of Sonia's election as Congress Parliamentary Party leader.

Rejecting suggestions that he would extract hefty concessions from the Congress-led government in return for his support like Naidu had done with the Atal Bigotten about the common people; and dreamed instead of making Andhra a Singapore or US. This is what undid Naidu, he said.

Laloo Prasad said Naidu had kept Andhra in a debt trap by borrowing Rs 55,000 crore from external agencies and the new state government would have to struggle to wriggle out of this. "Hyderabad ko cyber fibre ba-i: nayega," he said of the former chief minister.

The RJD has won 19 seats in Bihar; three other seats where repolling is due are likely to go its way. The party is the largest Congress-friendly group in Parliament after the Left, with the DMK following with 16 seats.

There is speculation that Laloo Prasad is eyeing the home ministry, but all he would say was: "Home ministry, this ministry, that ministry, no demands now. You people are writing in the papers." The Congress would not confirm if he had made such a demand. Analysts said it would be difficult to allot the home ministry to someone who is under the CBI's scanner in the multi crore fodder scam.

Asked if posts like that of the deputy Prime Minister and home minister had been discussed with Sonia yesterday, he said: "There has been no talk of any ministry. Let Sonia be sworn in

Asked if his party had hand ed its letter of support to the Co ngress chief, he said this would be done after his MPs arrive here sad said the Desam chief had for- of the RJD Parliamentary Party.

#### YOUTH CLUB CLAPS AS CHIEF ARRIVES

#### **Grandma** plays, party votes

RASHEED KIDWAI

New Delhi, May 15: Sonia Gandhi was 15 minutes late and Manmohan Singh took the chair. Backbenchers began to think the unthinkable, but before they could arrive at any conclusion, Manmohan announced Sonia's election as leader of the Congress Parliamentary Party, a ceremonial but crucial step towards becoming Prime Minister.

Old timers said the delay in Sonia's arrival was deliberate. The leader cannot elect herself. The Congress chief took time

to play with Rehan and Meera, Privanka's children, and to glance through the speech that she later delivered.

It was a rare quarter of an hour that allowed her some privacy. Reality is slowly sinking in. Sonia has finally "earned" the job that she was rather insensitively offered 13 years ago, immediately after Rajiv Gandhi was assassinated.

As soon as Sonia entered the Central Hall of Parliament, she was greeted with the customary thumping of desks, some new comers even clapped.

There was genuine affection all around. The elected 145 and their Rajya Sabha colleagues had come in their best attire with a rose in hand. The moment Sonia was elected CPP chief, they queued up to greet her. Old and new faces exchanged greetings with "madam" till a boyish face appeared. "Congratulations," he said. Accepting the rose,

Sonia replied: "Thank you." Rahul needed no introduction but his formal approach inditya Scindia. dicated the shape of things to



A horse, brought by celebrating Congress supporters, rears in front of Sonia Gandhi's residence in Delhi. (PTI)

propriety while the leader of the parliamentary party would not play favourites

Sitting in the front row, Rahul was a picture of confidence. The newcomer cracked jokes with the "youth club" of Sachin Pilot, Navin Jindal, Milind Deora and Jatin Prasada, It looks like the "youth club" is set to work as a "pressure group" in the 14th Lok Sabha. Another young MP present was Jyotira-

The Hero No. 1 was also a big

come. The son would observe draw. Govinda, the giant killer, was greeted with catcalls. He smiled back, waving and offering flying kisses. Raja Babu, attired in white, sat next to Kamal Nath who was busy pointing out portraits of leaders and freedom fighters

Amid the jubilation, Sonia's close relatives were missing. Mother Paola was in Delhi till recently but has gone back to Orbassano. She stayed at Priyanka's residence looking after Rehan and Meera when the Gandhi trio were away campaigning.

#### **Rose & reins**

FROM PAGE 1

"I take this opportunity to congratulate all of you as the oldest member of the Upper House and newest member of the Lower House," he said in an attempt to

be smart and witty. Smartness — of the youthful kind — was much in evidence. Govinda, flashing the frayed-byoveruse victory sign and a salute for the cameras, blew a kiss before putting himself in circulation in the hall.

The young smiled at one another, chatted each other up. And the likes of Sandip Dikshit and Sachin Pilot sought out the company of one of their own, Rahul. Often described as a party of geriatrics, the Congress glowed in the rawness of their age and freshness of face.

Rajiv Gandhi had once been surrounded by youth and its grand plans. And all of that had come to nothing. What the Congress will do with its young of today or its young will do with it, if given an opportunity, is too early

Experience does not give much hope. There was a lot of experience - of age and administration — around and the young were well-mannered enough to defer to its weight.

Thirty-four-year-old Rahul stood up every time senior leaders greeted him on his victory.

Manmohan Singh, presiding over the ceremony said: "This is truly a historic occasion." He asked if there was any proposal other than Mukherjee's for leadership. "No, no," shouted the members, Rahul joining in.

"I stand here today, in the space once occupied by my greatest teachers. Panditji, Indiraji and Rajivji. Their lives have guided me throughout my journey," Sonia said. "I would like to remember them today, I would like to honour them today.

In his vote of thanks, Priya Ranjan Das Munshi said: "You sail the ship. We pledge before you, be it a sunny morning or a stormy night, we shall stand by you."

At such moments, it may not be a bad idea to have a family member standing by, too.

#### Sushma, husband eye exit

**OUR SPECIAL CORRESPONDENT** 

New Delhi, May 15: Hours after Sonia Gandhi was elected Congress Parliamentary Party leader, Sushma Swaraj and her husband threatened to quit as Rajya Sabha MPs to protest a "foreigner" occupying the country's top post.

Outgoing parliamentary affairs minister Sushma and Swaraj Kaushal released a signed press statement shortly after Sonia was elected leader, the first step to becoming Prime Minister. The statement said: "If unfortunately Sonia Gandhi takes oath as the PM, the two of us have

decided to sacrifice our parliamentary member-

ship and we will not step inside Parliament as long as she remains the PM." The couple added: "We cannot bear to suffer this humiliation to the nation and we will not partake of the privileges due to members of Parliament as long as this national shame is inflicted upon us. To us it is a question of national pride and our sense of pride will not allow us to sit as

taken the decision that as soon as she is sworn in, we will put in our papers.' Sushma is a BJP member while Swaraj represents Bansi Lal's Haryana Vikas Party. Both said

they had taken a suo motu decision without con-

mute spectators in Parliament. Hence we have

sulting their parties. Sushma said she had informed the BJP brass at its parliamentary board

"They were silent because I made it clear I will not await anyone's permission." Asked to comment, BJP spokesman Mukhtar Abbas Naqvi said: "She is expressing her nationalist feelings and those of crores of Indians. She

will be used for party work." Swaraj said his party had fought the Lok Sabha polls on the "foreign origin" plank and his decision to resign was "logical".

Sushma disputed the Congress claim that the election verdict was in Sonia's favour and had "invalidated" the foreign origin controversy.

"She is a duly elected member of Parliament but the mandate was not to make her the PM. The Congress fought the Left Front in West Bengal and Kerala and since it won most of the seats, the mandate can be taken to mean an anti-Sonia

Laloo hits back

Rashtriya Janata Dal chief and Congress ally Laloo Prasad Yadav rubbished the argument. "Who are you to say she cannot be Prime Minister? You have been dumped by the people. You are in depression."

#### Karunanidhi bides time

OUR SPECIAL CORRESPONDENT

Chennai. May 15: The DMK is unlikely to join the government in Delhi led by ally Congress straightaway despite Sonia Gandhi's request to M. Karunan-

"The DMK will wait and watch the approach of the new government to be headed by Sonia Gandhi on various issues, give it ample time to settle down and then decide on joining the Congress-led ministry." Karunanidhi said this evening, a day before he meets Sonia in New

Delhi Before that, the party's state executive, including the new MPs and top office-bearers, met to discuss the issue of the DMK's

Karunanidhi said the executive had authorised him to take a decision "at the appropriate

There was no time frame, he added

He rejected suggestions that if the DMK, the third largest party in the Congress-led alliance, did not participate in the government, it could lead to insta-

We will support this government, give it all the backing and encouragement it needs and extend full co-operation always to ensure the stability of the government," Karunanidhi

Declining to give reasons for not joining at the moment, he said it was the party's decision. Nonetheless, he clarified that it had nothing to do with the bitter experience the DMK had as a member of the NDA.

A meeting of the allies of the Democratic Progressive Alliance in Tamil Nadu preceded the DMK discussion.

A key resolution adopted at both meetings demanded that the Jayalalithaa governty. ment should quit, "accepting responsibility for the pre-plane ned fraud perpetrated on democracy through deletion of thousands of names, particularly those of minorities and government servants, in a bid to win the election by hook or by

Karunanidhi will take up the issue while discussing the common minimum programme tomorrow in Delhi.

MDMK leader Vaiko has said his party would give outside sup-

port to the government. Another ally, the PMK, authorised party chief S. Ramadoss, to decide on the issue at its meeting near Tindivanam this

evening.

tatements on privatisation trigger collapse

#### divests Congress tory feel-good

OUR BUREAU

May 14: In the hour of victory of forces opposed to the BJP, the Left is again displaying an inability to be a responsible player that is fit to share power in De-lhi either as part of a government or providing support from outside.

Politburo member Sitaram Yechury's statement that the disinvestment ministry should be wound up, accompanied by comments by other leaders that sale of profit-making public sector units would have to stop, sent the stock market reeling today. The crash, by nearly 330 points, was the fourth largest in Bombay Stock Exchange history

CPM general secretary Harkishen Singh Surjeet, however, sniffs a conspiracy. "There are lots of forces at work - those trying to sabotage our efforts to

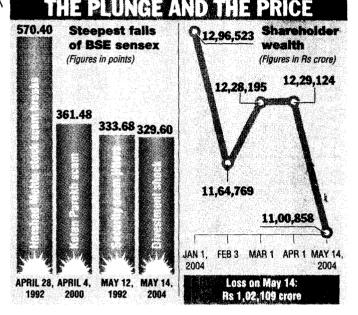
put together a secular coalition at the Centre," he said.

In the Left's pronouncements, the market saw the seeds first of disagreement with the Congress on economic policy and second a reversal of the divestment process that was in fact set in motion by P. Chidambaram as finance minister in the United Front government supported by the CPM.

Seeing a crisis developing even before a gov ernment is in place, the Congress scrambled to calm jitters. "Investors can rest assured that the new government will pursue policies to create a favourable climate for growth," Manmohan

Singh, a former finance minister, said.
"We are not pursuing privatisation as an ide-

ology. We are not against divestment per se. We are open to all options," he added.
Sonia Gandhi said in a TV interview that reforms would continue. "The economic reforms were initiated by the Congress, by my husband, and later by Congress governments.



They will be carried forward."

The Congress is also believed to have sent word to Surjeet and Jyoti Basu that if the Left acts in such a manner in the honeymoon period, keeping the marriage alive will be difficult. Basu is expected to make a statement to soothe

Keen that it had appeared to be on displacing the BJP alliance in power, following victory, the question of helping the Congress form the new overnment should be, and is, uppermost on the Left's mind.

But its utterances have created the impression that divestment is the biggest issue before the upcoming government, reversing the trend on the stock market. After seeing the ruling coalition knocked off its feet, the market initially panicked but was reassured to see the Congress alliance emerging as a big player, carrying the perfume of stability investors like around

**CONTINUED ON PAGE 6** ▶

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THE TELEGRAPH

#### CONG CHIEF TO MEET KALAM TODAY

# Allies back of Sonia as PM

Mohan Sahay in New Delhi

May 16. — From leader of the Congress Parliamentary Party, Mrs Sonia Gandhi is now Prime Ministerelect. The 13-party "secular" coalition, that has the support of Left parties and the Samajwadi Party, tonight elected the Congress president as its leader. Her name was proposed by Mr M Karunanidhi (DMK) and seconded by Mr Sharad Pawar (NCP) and Mr Laloo Yadav (RJD).

Mrs Gandhi is likely to meet the President tomorrow, after the 14th Lok Sabha is constituted, and stake claim to form the next government. She'll hand over to Dr APJ Abdul Kalam letters of support from coalition partners and allies. The "secular" coalition has more than 300 MPs in the 545-member House.

Congress leader Dr Manmohan Singh said Mrs Gandhi would take oath of office in a couple of days after being invited by the President. She'll be the 13th Prime Minister and the first foreign-born Indian national to hold the post.

The two-hour meeting also decided to set up a coordination committee, which will have a chairman and a convener. The common minimum programme is being drafted and is expected to be circulated among alliance partners for their approval before the government is formed.

Among the pre-poll allies, only the DMK and the MDMK have not yet decided to join the government. All other parties are likely to be represented in the council of ministers.

Despite pressures on the Congress, Mrs Gandhi is not keen to include Mr Mulayam Singh Yadav's SP in the ministry. The Congress's attitude to the SP and BSP became evident when the two, along with Mr Ajit Singh's RLD, were dropped from the list of invitees. (In con-



Mrs Gandhi and Mr Yadav on Sunday. -- AFP

#### Laloo wants his man in home ministry

NEW DELHI, May 16. — Now is the time for Mr Laloo Yadav to ask for the price of his loyalty to Mrs Sonia Gandhi. The RJD supremo would not mind not being included in the Cabinet, since he's is an accused in the fodder scam cases. But he wants a junior (and a crucial) berth — minister of state for home. And, obviously, the person will be nominated by him. Since the fodder cases are still being heard and the CBI is the prosecuting agency, an RJD man in North Block would be quite helpful to the Bihar strongman. — SNS

trast, the Left parties were invited both to the meeting as well to the dinner Mrs Gandhi hosted at her residence before it.)

Despite not being invited, Mr Amar Singh (SP) and Mr Ajit Singh showed up at the gathering, leaving Dr Manmohan Singh at pains to explain their presence. The two leaders drove to 10 Janpath along with the CPI-M's Mr Harkishen Singh Surjeet.

Later, Mr Singh told a TV channel: "We didn't have any invitation... but we were requested by Surject to accompany him there."

THE STATESMAN 7

## We need more time to decide on

## We need more time to decide on joining government: Karunanidhi

By J. Venkatesan

NEW DELHI, MAY 16. Departing from its earlier stand, the Dravida Munnetra Kazhagam (DMK) today indicated the possibility of its joining a Congress-led Government at the Centre, maybe after a few days or a few weeks.

The party chief, M. Karunanidhi, gave this hint after a 45minute meeting with the Congress president, Sonia Gandhi, at her 10 Janpath residence here.

Mr. Karunanidhi told reporters that he had handed over to Ms. Gandhi a letter of support by 16 party MPs addressed to the President, A.P.J. Abdul Kalam. He said: "I conveyed to Ms. Gandhi the party working committee's decision not to participate in the government. She requested me to reconsider the party's stand and to join the government."

Mr. Karunanidhi said: "I told her that we are not saying that we will not join the government. We only need some more time to think and take a decision in this regard." Asked how long he would take, he said, "It may be a few days or a few weeks." Asked why there was a delay, he said: "We will take a decision after proper thinking since only yesterday we decided not to join the government."

On other allies in the Democratic Progressive Alliance being part of the new government, he said, "we fought the elections together and each party is free to take an independent view on it."

Asked about the DMK's demands, he said the Prevention of Terrorism Act (POTA) should be repealed soon after the government was formed: Tamil



The Congress president, Sonia Gandhi, and the DMK chief, M. Karunanidhi, during their meeting at her residence in New Delhi on Sunday. Looking on (from left) are the TNCC leader, G.K. Vasan, and the senior Congress leader, Manmohan Singh. — AP

should be declared a classical language; an amicable settlement of the Cauvery dispute should be found and the Central Value-Added Tax abolished.

Later, emerging out of a meeting with the former Prime Minister, V.P. Singh, Mr. Karunanidhi suggested that as a first step towards resolving the Cauvery dispute, the new Prime Minister immediately talk to the Chief Ministers of the States concerned.

be repealed soon after the government was formed; Tamil his party's manifesto to Ms.

Gandhi and the senior Congress leader, Manmohan Singh. Ms. Gandhi assured him that the points raised by the DMK in the manifesto would be incorporated in the Common Minimum Programme (CMP), which is being drafted.

ing drafted.
Dayanidhi Maran, son of the late Murasoli Maran, former Union Minister; the Tamil Nadu Congress Committee president, G.K. Vasan; and the Congress general secretary in-charge of Tamil Nadu, Kamal Nath, were present at the meeting. Prior to

the conclusion of the meeting, Mr. Karunanidhi, Mr. Dayanidhi Maran and Ms. Gandhi were closeted for about 10 minutes. Mr. Kamal Nath said the meeting took place in a cordial atmosphere.

About his talks with Mr. Singh, Mr. Karunanidhi said: I respect Mr. Singh and I explained to him what transpired between me and Ms. Gandhi. Mr. Singh wanted the DMK to join the new government and I told him that I need some more time to take a decision."

THE HINDU 1 3 MAY MAY

# জয়ন্ত ঘোষাল 👁 নয়াদিল্লি

১৬ মে: শরিকদের সামলে নতুন মন্ত্রিসভার রূপরেখা তৈরি করতে অচ্ছি সারাদিন ধরে হিমসিম খেলেন সনিয়া গাঁধী। মূল সমস্যা দেখা দিয়েছে মূলায়ম সিংহ যাদবের সমাজবাদী পার্টিকে নিয়ে। মুলায়মের দলকে সরকারে সামিল করার ব্যাপারে ঘোরতর আপত্তি **তুলেছেন লালুপ্রসাদ যাদব ও কংগ্রেসেরই একটা** বড় অংশ। অন্য দিকে, সমাজবাদী পার্টিকে সরকারে নেওয়ার ব্যাপারে সওয়াল করছেন সি পি এমের সাধারণ সম্পাদক হরকিয়েন সিংহ সুরজিৎ। মূলত তাঁর চেষ্টাতেই এ দিন রাতের দিকে মূলায়মের দলের সরকারে আসার সম্ভাবনা খানিকটা বেড়েছে। এ ব্যাপারে সিদ্ধান্ত নেওয়ার ভার সনিয়ার উপরেই ছেড়ে **দিয়েছে তাঁর দল ও শরিকেরা।** কাল সনিয়ার হাতে সমর্থনের চিঠি তুলে দেবে সমাজবাদী পার্টি। সব সমর্থক দলের চিঠি নিয়ে রাষ্ট্রপতির সঙ্গে দেখা করবেন সনিয়া। দাবি জানাবেন সরকার গড়ার। বুধবার নতুন সরকার শপথ নিতে পারে।

জোটে থাকলেও আপাতত সরকারে যেতে রাজি নয় ডি এম কে, পি এম কে ও এম ডি এম কে। অন্য দিকে, সনিয়া নিজে জোরালো অনুরোধ করার পরেও বাম দলগুলি এখনও পর্যন্ত সরকারে অংশ নেওয়ার প্রশ্নে সাড়া দেয়নি। করুণানিধির ডি এম কে দলও সরকারে **অংশ নেওয়ার সিদ্ধান্তটি আপাতত ঝুলিয়ে** রেখেছে। অবশ্য, ডি এম কে'র জোটসঙ্গী এম ডি এম কে'র প্রধান ভাইকো আজ জানিয়ে দিয়েছেন, তাঁরা সরকারে যোগ দিচ্ছেন না

বামপন্থীরা, এবং বড় বড় দলগুলি সরকারে ঢোকা না-ঢোকা নিয়ে মনস্থির না করায় **এখন ছোট ছোট দলগুলির দাবি বাড়ছে। পাঁচ সদস্যের ঝাড়খণ্ড মুক্তি মোর্চার নেতা শিবু** সোরেন, রামদাস আটওয়ালের এক সদস্যের আর পি আই, রামবিলাস পাসোয়ানের **লোকজনশক্তির তিন জন সদস্য, কিন্তু সবাই** এখন ক্যাবিনেট মন্ত্রকের দাবি তুলছে। অন্য দিকে, ডি এম কে দাবি তুলেছে আগে সরকার 'পোটা' আইন বাতিল করুক, তারপরে দেখা যাবে। তেলেঙ্গানা রাষ্ট্রীয় সমিতির পাঁচটি আসন। তারা দাবি করেছে, আগে তেলেঙ্গানা রাজ্যের দাবি মানা হোক, তারপরে সরকারে অংশগ্রহণের কথা। শরিকদের এই সব দাবির তালিকায় কংগ্রেস হাইকমান্ড স্পষ্টতই রেশ অম্বস্তিতে।

**এরই মধ্যে সনিয়ার নৈশভোজকে ঘিরে** আজ রেশ একপ্রস্থ নাটক হয়ে গেল। যেহেতু মূলায়মকে জোটের বাইরে রাখার পক্ষেই মত প্রবল, তাই সমাজবাদী পার্টির কাউকেই **নৈশভোজে ডাকা হয়নি। দুপুরে দিল্লি ছেড়ে লখনউ** চলে যাওয়ার আগে মূলায়ম এ নিয়ে তাঁর ক্ষোভ গোপন করেননি। এর পরেই আসরে নামেন সুরজিং। সনিয়া ও কংগ্রেস নেতৃত্বের সঙ্গে দফায় দফায় আলোচনা করে বরফ গলানোর চেষ্টা চালিয়ে যান তিনি। সুরজিতের দৌত্যে শেষ পর্যন্ত কিছুটা হলেও কাজ হয়। সমাজবাদী পার্টির নেতা অমর সিংহ ও তাঁদের জোটসঙ্গী অজিত সিংহকে নিজের গাড়িতে চড়িয়েই ১০ জনপথে নিয়ে



ষান সুরজিৎ। কংগ্রেস নেতাদের সঙ্গে এক দফা আলোচনার পরে ঠিক হয়েছে, কালই সনিয়ার হাতে সমাজবাদী পার্টির সমর্থনের চিঠি তুলে দেওয়া হবে। মূলায়মের দলকে সরকারে নেওয়ার বিষয়টি সনিয়ার উপরে ছেড়ে দেওয়ার মধ্যে কংগ্রেস ও শরিক দলগুলির **সুর নরম করার ইঙ্গিত রয়েছে বলে মনে করছে রাজনৈতিক মহল।** 

নৈশভোজে জোটের নেতা হিসাবে সনিয়ার নাম প্রস্তাব করেন ডি এম কে নেতা করুণানিধি। লালুপ্রসাদ যাদব, শরদ পওয়ার-সহ সব শরিক নেতাই সেই প্রস্তাব সমর্থন করেন। সমর্থন জানান অমর সিংহ, অজিত সিংহও। নৈশভোজ থেকে বেরিয়ে মনমোহন সিংহ সাংবাদিকদের এই খবর দিয়ে বলেন, কাল বামপন্থীদের সিদ্ধান্ত জানার পরে জোটের নাম ঠিক করা হবে। জোট যাতে মসৃণ ভাবে চলে, সে জন্য গড়া হবে একটি সমন্বয় কমিটি।

এর আগে, আজ অমর সিংহ বলেন, ''আমরা বি জে পি'র বিরুদ্ধে ধর্মনিরপেক্ষ জোটে সামিল হতে চাই। সরকারেও যেতে চাই। কিন্তু আমরা চাইলেই তে হল না, কংগ্রেসই তো <mark>আমাদের নিতে চাইছে না।" মুলায়মের দলকে সরকারে নেওয়ার ব্যাপারে প্রথম প্রতিবন্ধক</mark> যদি হন লালুপ্রসাদ যাদব, পরের বাধাটা তা হলে কংগ্রেসেরই একটা বড় অংশ। তাঁদের যুক্তি, মুলায়ম উত্তরপ্রদেশে ক্ষমতায় আছেন। সেখানে দলকে বাড়াতে হলে তাঁর সঙ্গে লড়াই করেই বাড়াতে হবে। সমাজবাদী পার্টিকে সরকারে নিলে সেটা সম্ভব নয়।

মন্ত্রিসভা গঠন নিয়ে মোটেই স্বস্তিতে ছিলেন না কংগ্রেস সভানেত্রী। এক দিকে বাম **দলগুলি ও ডি এম কে জোটকে স**রকারে আনার চেষ্টা ব্যর্থ হল। সমাজবাদী পার্টি**কে বাদ দিলে এই দলগুলিই** এ বার ভোটে ভাল ফল করেছে। সনিয়া চেয়েছিলেন, এদের **সকলকে** মন্ত্রিসভায় এনে সরকারকে আরও মজবুত করতে। কিন্তু এ কাজে এখনও পর্যন্ত তিনি ব্যর্থ। ডি এম কে জোটের দাবি, সরকার আগে পোটা প্রত্যাহার করুক। পোটা প্রত্যাহার না-করা পর্যন্ত তাদের পক্ষে সরকারে যোগ দেওয়া সম্ভব নয়। কংগ্রেসের পক্ষে যে পোটা প্রত্যাহার করা কঠিন, সেটা ডি এম কে ভাল করেই জানে। তবু আপাতত এই যুক্তি দেখিয়েই <mark>সরকারে</mark> যাওয়ার আমন্ত্রণ ঠেকিয়ে রাখল তারা। আসলে, সনিয়ার নেতৃত্বাধীন সরকার কী ভাবে এগোয় সেটাই আগে দেখে নিতে চান ডি এম কে জোটের নেতারা।

এর পাশাপাশি, কাকে কোন দফতর দেওয়া হবে তা নিয়েও জোর জল্পনা ক**ল্পনা শুরু** হয়ে গিয়েছে। শরদ পওয়ারকে প্রতিরক্ষা, রামবিলাস পাসোয়ানকে যোগাযোগ দফতর দেওয়ার কথা হচ্ছে। কিন্তু রেল দফতরটি নাকি খোদ লালুপ্রসাদ যাদবই চাইতে শুরু করেছেন। লালু মন্ত্রী হন, এটা কংগ্রেসের বহু নেতাই চান না। তবে লালু নিজে যদি জেদ না-ছাড়েন তা হলে তাঁকে মন্ত্রিসভায় নিতেই হবে। এক শীর্ষ কংগ্রেস নেতা এ দিন বলেন, লালুর দলকে মন্ত্রিসভায় যোগ দিতে আমন্ত্রণ জানানো হলে তাঁদের পক্ষ থেকে কে কে **আসবেন তা তাঁরাই ঠিক করবেন**। কংগ্রেসের পক্ষ থেকে সেটা ঠিক করে দেও**য়া সম্ভ**ব নয়। অর্থ, বিদেশ, তথ্য ও সম্প্রচার এবং স্বরাষ্ট্রের মতো দফতর কংগ্রেস নিজেদে**র হাতেই** রাখবে বলে মনে করা হচ্ছে। মনমোহন সিংহ অর্থমন্ত্রী হবেন, এটা মোটামুটি চূড়ান্ত। কিন্তু বাকি মন্ত্রকগুলি নিয়ে অনিশ্চয়তা এখনও কাটেনি।

ANADABAZAR